DOCUMENT RESUME

ED 316 080 HE 022 984

AUTHOR Mortenson, Thomas G.
TITLE Dislocated Workers and Displaced Homemakers. ACT Student Financial Aid Research Report Series 89-2.
INSTITUTION American Coll. Testing Program, Iowa City, Iowa.
PUB DATE May 89
NOTE 72p.; For related documents, see ED 312 930 and HE 022 981-983.
AVAILABLE FROM ACT Publications, P.O. Box 168, Iowa City, IA 52243.
PUB TYPE Reports - Research/Technical (143) -- Tests/Evaluation Instruments (160)

EDRS PRICE MF01/PC03 Plus Postage.
DESCRIPTORS Access to Education; College Applicants; Demography; *Dislocated Workers; *Displaced Homemakers; Educational Finance; *Financial Aid Applicants; Financial Support; Higher Education; Questionnaires; *Student Financial Aid

ABSTRACT

This document, the fifth in a series of student financial aid research reports, summarizes the results of three American College Testing (ACT) program studies of the new financial aid applicant categories of dislocated workers and displaced homemakers. The three studies involved description, verification, and simulation, respectively. The description study examined ACT Assessment and Family Financial Statement (FFS) records and concluded that differences exist between those who identify themselves or their parents as either dislocated workers or displaced homemakers and other FFS filers. Displaced homemaker applicants or their dependents reported notably lower incomes and often no home equity. The verification study found that only about a third of survey respondents provided convincing responses confirming their status as dislocated workers or displaced homemakers, suggesting that they were not eligible to claim special formula treatment under the Congressional Methodology of need analysis. The simulation study compared the effects on expected family contributions of the special formula treatments for income and home equity. For well over half of both dislocated workers and displaced homemaker applicants, the special treatment did not affect expected family contributions by more than $100. For the remainder, the special formula treatment usually reduced expected family contributions. The result was that applicants were qualified for higher levels of student financial aid, with those from higher family incomes more likely to benefit from the special treatment formula. Survey respondents' comments are appended. Contains four references. (SM)

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ED316080

ACT Student Financial Aid
Research Report Series 89-2

Dislocated Workers and Displaced Homemakers

Thomas G. Mortenson

May 1989

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DISLOCATED WORKERS AND DISPLACED HOMEMAKERS

Thomas G. Mortenson

SUMMARY

This paper summarizes the results of three ACT studies of the new financial aid applicant categories of dislocated workers and displaced homemakers. These new applicant categories, adopted by Congress in the 1986 Amendments to the Higher Education Act of 1965, became effective with the 1988-89 academic year. The three studies were description, verification, and simulation.

The description study combined ACT Assessment and Family Financial Statement records to produce comparative demographic, financial, and academic descriptions of dependent and independent dislocated worker and displaced homemaker aid applicants. The results show differences between those who identify themselves or their parents as either dislocated workers or displaced homemakers and other FFS filers. The displaced homemaker applicants--both dependent and independent--had notably lower incomes than the other two groups. Dependents of displaced homemakers more often reported that their parents had no home equity than did the other two groups. Less than 15 percent of the independent FFS filers who reported that they were displaced homemakers reported any home equity at all, and only 5 percent reported that this equity amounted to $10,000 or more.

The verification study surveyed samples of dependent and independent dislocated worker and displaced homemaker Family Financial Statement filers to confirm their self-reported applicant status. About three-fourths of those to whom the survey was mailed completed and returned the survey for tabulation. The survey results suggest that many of these applicants are incorrectly identified. Only about a third of the survey respondents provided convincing responses on the survey that confirmed their status as dislocated workers or displaced homemakers. About a quarter of the survey respondents provided no evidence whatsoever that they met the dislocated worker/displaced homemaker criteria. The difference--nearly half of the respondents--provided inconclusive evidence in support of their claim to special formula treatment under the Congressional Methodology.

The simulation study compared the effects on expected family contributions of the special formula treatments specified by Congress in the 1986 Amendments. For dislocated workers the simulations compared the expected family contributions under the Congressional Methodology with and without the special treatments for income and home equity. For displaced homemakers the simulations compared the expected family contributions under the CM with and without the special treatment for home equity. For well over half of both the dislocated worker and displaced homemaker applicants, the special treatment did not affect their expected family contributions by more than $100 either way. For most of the remainder, the special formula treatments reduced expected family contributions and thereby qualified such applicants for higher levels of student financial aid if the new family contribution were below college attendance costs. Generally, those who benefited from the special treatments were from higher family incomes than were those who did not benefit.

ACKNOWLEDGMENTS

This project was developed under the encouragement of Mark Heffron at ACT who was concerned about the measure of complexity added to the needs assessment process by the identification of special, new classes of aid applicants in the 1986 Amendments. Clarence Kreiter and Merine Farmer of ACT's research staff were largely responsible for the descriptive portion of this study. Clarence supervised the verification surveys and subsequent data analysis. Mark and Mike Simpson of ACT's Student Need Analysis Service conducted the simulation portion of the study. Julie Divoky and Sarah Logan helped prepare the text for publication.

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DISLOCATED WORKERS AND DISPLACED HOMEMAKERS

Thomas G. Mortenson

Introduction

The 1986 Amendments to the Higher Education Act of 1965 create two new special classes of financial aid applicants in the 1988-89 award year--dislocated workers and displaced homemakers. The 1986 Amendments provide special formulas that differ from the otherwise standard Congressional Methodology with respect to the treatment of income and home equity for the calculation of expected family contribution. This special treatment requires the collection of additional information on the financial aid application form and additional, complex instructions.

Dislocated worker is a classification by a state agency for a person who has been terminated, laid off, or was self-employed but is now unemployed because of poor economic conditions in the community or a natural disaster. In the calculation of their expected family contribution, projected income is used instead of prior year income, and home equity is excluded from available assets.

Displaced homemaker is an individual who has not been employed for at least three years, but during the years has been working in the home providing unpaid services for family members; has been dependent on public assistance or on the income of another family member, or is receiving public assistance because of dependent children in the home; and has been trying to get a job but has not succeeded.

The questions to be addressed in this study are:

- What are the characteristics of applicants who report that they are dislocated/displaced? How are they similar and how are they different from other dependent and independent applicants in basic demographic, economic, and academic dimensions?

- Do dislocated/displaced applicants correctly identify themselves as such on their applications?

- Does special treatment make any difference in their financial aid requirements? For what applicant situations do the exclusion of assets and use of projected rather than prior income make a difference?

Problem Statement

The assessment of applicant need for financial aid is based on the premise that students and their families have the first and primary responsibility for financing college attendance costs. In the collection of information used to evaluate ability to pay, need analysis is confronted with a trade-off between simplicity and fairness. Both are necessary to the effective delivery of student financial aid, but they also contradict each other.

Simplicity requires that the application ask for just enough information to calculate each applicant's ability to pay for college from his or her own resources. The application will use easy to understand words in simple, clear questions, using minimal instructions. Anything more will add confusion--and hence impose barriers to aid and college--that the financial aid system exists to overcome.

Fairness, on the other hand, requires sufficient probing of the applicant's income and assets to completely identify the applicant's ability to finance college expenses from his own resources. Anything less shifts the obligation of paying for college to others--either taxpayers or other financially needy students--to pay for the applicant's college expenses. This need to be fair compromises the need for simplicity, and vice versa. Heffron (1989) has put the dilemma this way:

> The more you know about someone, the better able you are to assess that person's needs and resources, and be sensitive to them. The more questions you ask, however, the more likely you are to ask questions that don't apply to many individuals, the more difficult it becomes to complete the application, and the more likely applicants are to make mistakes. Also, the more complex the form, the greater the chance of creating a psychological barrier that precludes people from even trying to apply. The trick is to find the balance point.
>
> Difficulty is added by the fact that the range of college costs is so great, both poor and upper income people need and apply for aid. The same data are not relevant to each. But putting out different forms for different wealth ranges adds complexity too, particularly for those near the cut-off point. To the difficulty of form completion you add the difficulty of form selection (and the cost of putting out multiple forms).

In 1986 Congress shifted the financial aid application process toward fairness--and away from simplicity--by adding two new classes of financial aid applicants: dislocated workers and displaced homemakers. These additions were incorporated into the aid application forms used by students for the 1988-89 academic year. As a result, questions were added to ACT's Family Financial Statement, and specific instructions were added to the accompanying instruction booklet. This additional information triggers special formula treatments by aid processors involving the assessment of assets and income to calculate an expected family contribution (EFC).

The addition of the two new classes of dislocated worker and displaced homemaker presents all applicants with forms and instructions that include terms that are unfamiliar and irrelevant to better than nine out of ten applicants. The result, as shown in this paper, is that the additional questions apply to few applicants, mistakes are made at high rates in completing the aid application correctly, and the special formula treatments not only benefit few applicants but usually benefit only the most affluent aid applicants in these groups.

Paper Organization

This paper consists of three sections:

1. Description: Comparative tabulations that identify and highlight differences between the dislocated, displaced, and other applicants for financial aid.

2. Verification: Survey of samples of dislocated/displaced applicants to determine the accuracy of their self-identification as such.

3. Simulation: Calculation of EFC's with and without home equity, and with prior year and projected income, as appropriate, for different subpopulations of dislocated/displaced applicants.

Description

The following is a comparative description of ACT Family Financial Statement filers (FFS) who are first classified as dependent or self-supporting, and then within each of these groups are further classified as dislocated worker, displaced homemaker, or other applicant (everyone else) for student financial aid. Before the descriptions are presented, however, we explain the derivation of the data bases developed for this portion of the study.

Data Bases

The data presented in the descriptive portion of the study were developed from a merger of the ACT Assessment Program (AAP) and Student Needs Analysis Service (SNAS) data bases of The American College Testing Program. These two data bases are created from ACT's two core services to American higher education: (a) assessment of the academic preparation of prospective college students for study in higher education, and (b) the assessment of aid applicants' resources to pay college attendance costs.

The ACT Assessment Program (AAP) is administered to over 1.3 million college bound students each year. The Assessment includes an application on which students supply extensive information about their demographic characteristics, interests, special educational needs, extracurricular college plans, factors influencing college choice, high school records, out-of-class experiences, etc. The ACT Assessment itself measures academic preparation for college in four areas: English, mathematics, social studies, and natural science.

ACT's Family Financial Statement (FFS) is filed by about 1.3 million financial aid applicants each year. Information collected on the FFS is strictly limited by federal, state, and institutional reporting requirements to those data elements required to assess the applicant family's resources and data needed to determine aid program eligibility. Nearly all of the descriptive information collected on ACT's AAP application is omitted from the FFS. Therefore, appending the AAP record to the FFS record for those who have completed both greatly enriches the data resources available to describe and

analyze student aid applicants, at the same time that some selection bias is introduced when some aid filers lack assessment records.

The matching required that the FFS file for 1988-89 eligibility be processed against AAP files spanning many prior years. The financial aid applicant population includes aid applicants from all age levels, whereas the assessment files contain records for students who typically took the AAP only once, while still in high school. Therefore, a sample of 1988-89 ACT Family Financial Statement (FFS) filers who submitted applications by May 9, 1988, representing all age classes, was matched against the historical cumulative AAP data file to capture the AAP information not collected on the FFS. The historical AAP file covered ACT Assessment takers during the period from 1978 through 1988. AAP and FFS records were matched by Social Security numbers. A summary of the matching experience is presented in Table 1.

TABLE 1

ACT Assessment Program and Family Financial Statement Data Files used in Descriptive Study

		Dislocated Worker	Displaced Homemaker	Others
Dependent	Population:	29,140		Population: 440,449
	Sample:	29,140		Sample: 11,944
	Percent sample:	100%		Percent sample: 3%
	Matched:	9,109	7,516	Matched: 6783
	Percent matched:	31%	26%	Percent matched: 57%
Self-supporting	Population:	29,460		Population: 264,269
	Sample:	29,460		Sample: 7167
	Percent sample:	100%		Percent sample: 3%
	Matched:	2,170	2,685	Matched: 2880
	Percent matched:	7%	9%	Percent matched: 40%
Combined	Population:	58,600		Population: 704,718
	Sample:	58,600		Sample: 19,111[b]
	Percent sample:	100%		Percent sample: 3%
	Matched:	21,335[a]		Matched: 9,765[c]
	Percent matched:	36%		Percent matched: 51%

Notes:

[a]Applicants could check boxes for both dislocated worker and displaced homemaker. One hundred forty-five did so and therefore appear twice in the above counts.

[b]20,727 records were selected in 1/34 sampling from population of FFS filers received through May 2, 1988, for the 1988-89 academic year. 19,111 were neither dislocated nor displaced applications. Therefore, 7.8% of the first 700,000+ FFS filers were either dislocated or displaced applications.

[c]102 FFS filers did not supply information that classified them as dependent or self-supporting. These records were included in the combined analyses but excluded from the dependent/independent analyses.

The results show varying degrees of success in matching AAP and FFS student records. Generally, dependent FFS filers were more likely to have taken the ACT Assessment since 1978 than were self-supporting FFS filers. Undoubtedly this is due to the age of those who filed as self-supporting: the average age of independent filers is 28.3 years and thus a large share could have taken the ACT Assessment prior to 1978. In any case, the following descriptive summaries are limited to those for whom ACT has both AAP and FFS student records, unless noted otherwise.

Dependent Applicants

Tables 2 through 4 summarize the demographic, academic, and economic characteristics of dependent dislocated worker, displaced homemaker, and other applicants who do not fit into these two categories. Note that in the case of dependents, the dislocated worker/displaced homemaker designation refers to the aid applicant's parents--not the aid applicant. Some dependent applicants also checked themselves off as either dislocated workers or displaced homemakers or both. These cases have been treated according to the parental designation.

Dependent FFS filers whose parents were either dislocated workers or displaced homemakers looked similar to dependent filers on the descriptive dimensions of gender, age, marital status, high school grades, and degree aspirations. On all other characteristics, however, differences were apparent.

Dislocated worker: FFS filers with at least one parent who is a dislocated worker are more likely to be minority--especially black--than are other dependent FFS filers. Their average incomes and assets are below those of other FFS filers: their average incomes are 83 percent of other dependent FFS filers, and their assets are 71 percent. Their ACT Assessment scores average about 1.2 standard score points below the averages for other applicants.

Displaced homemaker: Dependent FFS filers with a parent who is a displaced homemaker differ from other dependent filers in several significant ways. Of all displaced homemaker FFS filers, 24 percent were black, compared to 16 percent of dislocated workers and 10 percent of other dependent applicants.

Somewhat surprisingly, 50 percent of the dependent FFS filers who indicated that their parent was a displaced homemaker reported that their parents were married. While this proportion was well below the 75 percent reporting married parents for other dependent aid applicants and 77 percent for those who had a dislocated worker parent, the 1986 Amendments to the Higher Education Act of 1965 define displaced homemaker as an:

DISPLACED HOMEMAKER. - The term 'displaced homemaker' means an individual who -

(1) has not worked in the labor force for a substantial number of years but has, during those years, worked in the home providing unpaid services for family members;

(2) (A) has been dependent on public assistance or on the income of another family member but is no longer supported by that income, or (B) is receiving public assistance on account of dependent children in the home; and

(3) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

Although the displaced homemaker class was created to address the plight of the divorced woman left with home equity but without her former husband's financial support, half of those who checked this category also reported married parents.

TABLE 2
Demographic Descriptions of
Dependent ACT Family Financial Statement Filers
1988-89

Characteristic		Dislocated Worker[a] (parent)	Displaced Homemaker[a] (parent)	Other[b]
Gender (AAP)				
Males	N	3884	3061	3010
	%	43%	41%	44%
Females	N	5225	4455	3773
	%	57%	59%	56%
Age (FFS)				
Less than 21	N	6334	5161	4642
	%	70%	69%	68%
21 to 24	N	2757	2335	2127
	%	30%	31%	31%
25 and over	N	18	20	14
	%	0%	0%	0%
Race/Ethnicity (AAP)				
White	N	6191	4219	5254
	%	71%	59%	81%
Black	N	1375	1711	637
	%	16%	24%	10%
Mexican/Chicano	N	343	371	175
	%	4%	5%	3%
Puerto Rican/	N	103	111	42
Hispanic	%	1%	2%	1%
Oriental	N	285	299	143
	%	3%	4%	2%
American Indian	N	103	110	64
	%	1%	2%	1%
Marital Status (FFS)				
Single	N	9092	7495	6766
	%	100%	100%	100%
Married	N	9	7	10
	%	0%	0%	0%
Separated	N	2	5	2
	%	0%	0%	0%
Parents Marital Status (FFS)				
Married	N	7008	3727	5022
	%	77%	50%	75%
Divorced	N	1212	1766	1014
	%	13%	24%	15%
Separated	N	329	573	167
	%	4%	8%	3%
Single	N	261	496	177
	%	3%	7%	3%
Widowed	N	282	934	304
	%	3%	12%	5%

Note that tabulated data is for FFS filers on whom ACT also had AAP records.
[a]Dependent dislocated and displaced: N=16,512, 113 marked both.
[b]Other file consists of 6783 records (1/34 sample) of ACT FFS filers through May 2, 1988, who were dependents of neither dislocated workers nor displaced homemakers.

TABLE 3
Economic Descriptions of
Dependent ACT Family Financial Statement Filers
1988-89

Characteristics		Dislocated Worker[a] (parent)	Displaced Homemaker[a] (parent)	Others[b]
Mean Total Income (FFS)	$	24,942	17,779	29,782
Total Income Distribution (FFS)				
Negative	N	828	1974	437
	%	9%	26%	6%
0-$5999	N	950	1551	332
	%	10%	21%	5%
$6000-11,999	N	1103	952	601
	%	12%	13%	9%
$12,000-17,999	N	1232	751	852
	%	14%	10%	13%
$18,000-23,999	N	1209	625	851
	%	13%	8%	13%
$24,000-29,999	M	1042	53-	859
	%	11%	7%	13%
$30,000-35,999	N	848	391	775
	%	9%	5%	11%
$36,000-41,999	N	637	267	645
	%	7%	4%	10%
$42,000-47,999	N	473	205	500
	%	5%	3%	7%
$48,000 & over	N	783	269	928
	%	9%	4%	14%
Mean Total Assets (FFS)	$	27,748	24,863	38,937
Mean Cash, Savings and Checking(FFS)	$	2577	2262	3035
Home Equity Distribution (FFS)				
None	N	2637	3124	1570
	%	29%	42%	23%
$1-9999	N	1346	941	1027
	%	15%	13%	15%
$10,000-20,000	N	1705	1131	1213
	%	19%	15%	18%
Over $20,000	N	3421	2320	2973
	%	38%	31%	44%

Note that tabulated data is for FFS filers on whom ACT also had AAP records.
[a]Dependent dislocated and displaced: N=16,512, 113 marked both.
[b]Other file consists of 6783 records (1/34 sample) of ACT FFS filers through May 2, 1988, who were dependents of neither dislocated workers nor displaced homemakers.

TABLE 4

Academic Descriptions of
Dependent ACT Family Financial Statement Filers
1988-89

Characteristic		Dislocated Worker[a] (parents)	Displaced Homemaker[a] (parents)	Other[b]
Mean ACT Assessment Scores (AAP)				
Composite	M	18.7	17.7	19.9
English	M	18.4	17.5	19.3
Mathematics	M	17.5	16.3	18.9
Social Studies	M	17.5	16.4	18.6
Natural Science	M	21.2	20.2	22.3
High School Grades (AAP)				
English	M	3.09	3.05	3.17
Mathematics	M	2.83	2.80	2.92
Social Studies	M	3.19	3.16	3.26
Natural Science	M	3.02	2.98	3.06
Degree Aspirations (AAP)				
2 Year College	N	503	459	360
	%	6%	7%	6%
Bachelors	N	3677	2904	2947
Degree	%	43%	41%	46%
Graduate	N	1495	1196	1165
School	%	17%	17%	18%
Professional	N	2572	2184	1735
School	%	30%	31%	27%
Other	N	350	285	218
	%	4%	3%	2%

Note that tabulated data is for FFS filers on whom ACT also had AAP records.
[a]Dependent dislocated and displaced: N=16,512, 113 marked both.
[b]Other file consists of 6783 records (1/34 sample) of ACT FFS filers through May 2, 1988, who were dependents of neither dislocated workers nor displaced homemakers.

Independent Applicants

Tables 5, 6 and 7 summarize the demographic, economic, and academic characteristics of independent ACT FFS filers for 1988-89 for whom ACT also had Assessment records. (Note that only 16 percent of the independent FFS filers who identified themselves as dislocated workers/displaced homemakers had an ACT Assessment record.) Generally, each group's characteristics differed from the other groups' characteristics. About 40 percent of each group, however, aspired to a bachelor's degree from college.

Displaced homemakers: This group was 80 percent female, compared to 50 percent of dislocated workers and 53 percent of other independent aid applicants. They were older than other independents, more likely to be black or American Indian, and had very low incomes (nearly a third had negative total incomes). In this group, 87 percent had no home equity, and only 5 percent had home equity of more than $10,000. This group had low ACT Assessment scores and reported high school grades lower than those reported by other independent FFS filers.

Dislocated workers: This group, though similar to other independent FFS filers with respect to gender, was older, more likely to be married, and reported relatively higher income and assets including home equity. Their high school grades were comparable to those of displaced homemakers and lower than those reported by other independent aid applicants.

Given the relatively few FFS records that could be matched with ACT Assessment records, generalizations from these data are risky. The most important finding from the independent comparisons, however, is quite straightforward: the displaced homemakers stand out from other records by their disproportionate female representation and their relatively low total income distribution.

TABLE 5

Demographic Descriptions of
Independent ACT Family Financial Statement Filers
1988-89

Characteristic		Dislocated Worker[a] (self/sp)	Displaced Homemaker[a] (self/sp)	Other[b]
Gender (AAP)				
Males	N	1087	539	1342
	%	50%	20%	47%
Females	N	1083	2146	1538
	%	50%	80%	53%
Age (FFS)				
Less than 21	N	86	201	193
	%	4%	7%	7%
21 to 24	N	643	726	1525
	%	32%	27%	53%
25 and over	N	1391	1758	1162
	%	64%	65%	40%
Race/Ethnicity (AAP)				
White	N	1341	1399	2098
	%	76%	65%	82%
Black	N	193	336	215
	%	11%	16%	8%
Mexican/Chicano	N	62	78	54
	%	4%	4%	2%
Puerto Rican/	N	8	11	20
Hispanic	%	0%	0%	1%
Oriental	N	20	41	42
	%	1%	2%	2%
American Indian	N	43	87	40
	%	2%	4%	2%
Marital Status (FFS)				
Single	N	1108	1583	1972
	%	51%	59%	69%
Married	N	1009	852	863
	%	47%	32%	30%
Separated	N	53	248	41
	%	2%	9%	1%

Note that tabulated data is for FFS filers on whom ACT also had AAP records.
[a]Dependent dislocated and displaced: N=4842, 13 marked both.
[b]Other file consists of 2880 records (1/34 sample) of ACT FFS filers through May 2, 1988, who were neither dislocated workers nor displaced homemakers.

TABLE 6

Economic Descriptions of
Independent ACT Family Financial Statement Filers
1988-89

Characteristic		Dislocated Worker[a] (self/sp)	Displaced Homemaker[a] (self/sp)	Other[b]
Mean Total Income (FFS)	$	13,624	8287	10,374
Total Income Distribution (FFS)				
Negative	N	206	813	280
	%	10%	30%	10%
0-$5999	N	522	1016	107
	%	24%	38%	37
$6000-11,999	N	613	470	83.
	%	28%	18%	29%
$12,000-17,999	N	385	189	376
	%	18%	7%	13%
$18,000-23,999	N	228	102	162
	%	11%	4%	6%
$24,000-29,999	N	123	42	81
	%	6%	2%	3%
$30,000 & over	N	93	53	70
	%	4%	2%	2%
Mean Total Assets (FFS)	$	2349	1834	1230
Mean Cash, Savings and Checking(FFS)	$	487	288	535
Home Equity Distribution (FFS)				
0	N	1844	2342	2685
	%	85%	87%	93%
$1-9999	N	233	217	149
	%	11%	8%	5%
$10,000-20,000	N	58	77	26
	%	3%	3%	1%
Over $20,000	N	35	49	20
	%	2%	2%	1%

Note that tabulated data is for FFS filers on whom ACT also had AAP records.
[a]Dependent dislocated and displaced: N=4842, 13 marked both.
[b]Other file consists of 2880 records (1/34 sample) of ACT FFS filers through May 2, 1988, who were neither dislocated workers nor displaced homemakers.

TABLE 7

Academic Descriptions of
Independent ACT Family Financial Statement Filers
1988-89

Characteristic		Dislocated Worker[a] (self/sp)	Displaced Homemaker[a] (self/sp)	Other[b]
Mean ACT Assessment Scores (AAP)				
Composite	M	17.0	15.9	19.2
English	M	16.6	16.3	18.4
Mathematics	M	14.5	12.7	17.6
Social Studies	M	16.5	15.5	18.6
Natural Science	M	20.0	18.7	21.7
High School Grades (AAP)				
English	M	2.83	2.86	3.08
Mathematics	M	2.57	2.58	2.83
Social Studies	M	2.91	2.85	3.18
Natural Science	M	2.76	2.71	3.00
Degree Aspirations (AAP)				
2 Year College	N	242	333	232
	%	14%	16%	9%
Bachelors	N	702	776	1011
Degree	%	40%	40%	40%
Graduate	N	254	310	463
School	%	14%	15%	18%
Professional	N	411	465	738
School	%	23%	23%	29%
Other	N	153	163	113
	%	3%	8%	4%

Note that tabulated data is for FFS filers on whom ACT also had AAP records.
[a]Dependent dislocated and displaced: N=4842, 13 marked both.
[b]Other file consists of 2880 records (1/34 sample) of ACT FFS filers through May 2, 1988, who were neither dislocated workers nor displaced homemakers.

Verification

The second objective of this study was to verify the self-reported dislocated worker/displaced homemaker status of FFS filers. While the question on the Family Financial Statement was simple and direct, the instructions for how to check off the appropriate response were not. These instructions were written by Congress in the 1986 Amendments and approved by the Office of Management and the Budget (OMB). Also, between the time of the aid application and and the receipt of our survey, the circumstances of the FFS filer could have changed and, in some cases did. Therefore, a focus of this study was to see if FFS filers were correctly identifying themselves as dislocated workers or displaced homemakers and thus appropriately qualifying for the special Congressional Methodology formula treatments specified in the 1986 Amendments.

Survey Design

To verify the correctness of self-reported dislocated worker/displaced homemaker status, questionnaires were prepared that asked specific questions based on the federal instructions. Copies of these four questionnaires are included in the Appendix.

These questionnaires were then distributed to four random samples of 440 dependent/independent dislocated workers/displaced homemakers each. This survey was conducted during the late summer and fall of 1988. The response rates for the four populations were quite high--ranging from 72 percent to 85 percent of deliverable surveys--and are shown in Table 8.

TABLE 8

Sample Sizes and Response Rates for Surveys of Dis'ocated Workers and Displaced Homemakers

	Independent		Dependent		
	Dislocated Worker	Displaced Homemaker	Dislocated Worker	Displaced Homemaker	Total
Sample Size	440	440	440	440	1760
Surveys Delivered	425	422	425	422	1694
Percent Delivered	97%	96%	97%	96%	96%
Surveys Returned	312	360	337	304	1313
Percent of Sample	71%	82%	77%	69%	75%
Percent of Delivered	73%	85%	79%	72%	78%

Results from this survey are shown in Tables 9 through 12. Survey respondents' answers to questions based on the ACT Family Financial Statement instructions (as written by Congress and approved by OMB) were compared to those instructions, and match criteria were developed to judge accuracy of self-classification as a dislocated worker or displaced homemaker.

Dislocated Workers

Independents: The instructions for the dislocated worker who is not dependent on his parents for support state the following:

> Mark "Yes" if either you or your spouse is classified as a dislocated worker by an appropriate state agency (such as the State Employment Service or Job Service) in accordance with Title III of the Job Training Partnership Act. Generally, "dislocated worker" means a person who:
> - has been terminated or laid off,
> - has been laid-off as a result of permanent closure of a plant or other facility, or
> - was self-employed (including farmers) but is now unemployed because of poor economic conditions in the community or a natural disaster.
>
> Mark "No" if neither you nor your spouse is classified by the appropriate State agency as a dislocated worker.
>
> If you marked "Yes," you may be asked to document your status (or that of your spouse) as a dislocated worker.

The survey questionnaire developed to verify the dislocated worker status reported by independent FFS filers was based on these instructions and is shown as Form A in the Appendix. The 312 survey responses were coded, entered into a data file, and then analyzed.

Criteria to verify dislocated worker status were developed as follows. The highest criteria match met all of the following criteria:

1. Respondent reported that self or spouse had been laid-off or terminated from a job.
2. Respondent reported that self or spouse had been classified as a dislocated worker by an appropriate state agency.
3. Respondent gave a valid state agency name for the dislocated worker classification.

The second highest criteria match met only the first two criteria on this list, and the lowest criteria match met only the first criterion on this list. Survey respondents who did not match any of these criteria were thus identified as "Not Matched" in Table 9. These respondents did not indicate that either they or their spouses had ever been laid-off or terminated from a job.

TABLE 9

Independent Dislocated Workers
Verification Survey Results

Highest Criteria Match	32%
Next Highest Criteria Match	6%
Lowest Criteria Match	38%
Not Matched	24%
Total	100%

Of the independent dislocated worker respondents, 32 percent met the highest criterion match--they met all three instructional requirements for this classification. At the other extreme, 24 percent of the independent dislocated worker survey respondents provided no evidence that they met any of the three criteria contained in the instructions.

Of the survey respondents, 44 percent fell into a gray area. They affirmed their original FFS classification as a dislocated worker but failed to provide any confirming evidence, even such minimal evidence as indicating they had been so classified by a state agency without naming that agency. Survey respondents who gave an invalid response for the appropriate state agency, such as "Burlington Northern Railroad," fell into this gray area. Other examples of invalid state agencies provided by survey respondents included: ACT, Durbin's 66, Sanyo Mfg. Corp., San Haven State Hospital, Angus Bio-Tech, and Williston Water Dept. Apparently, some FFS filers were confused by the instructions.

Survey respondents were invited to add comments to the questionnaire when they returned it. Of the 312 respondents, 17 did so. Their comments, which add a poignant dimension to this report, are included in the appendix following survey Form A.

Dependents: The instructions for dislocated worker parents of ACT Family Financial Statement filers apply to the parents--not the aid applicant. Our survey, therefore, was addressed to the parents of the aid applicant and all data reported in this paper are based on parental qualifying status. Some dependent FFS filers also reported that they, too, were dislocated workers; these responses have been ignored in this study.

The instructions for dependent dislocated worker status are as follows:

> Mark "Yes" if either of your parents is classified as a dislocated worker by an appropriate State agency (such as the State Employment Service or Job Service) in accordance with Title III of the Job Training Partnership Act. Generally, "dislocated worker" means a person who:
> - has been terminated or laid off,
> - has been laid-off as a result of permanent closure of a plant or other facility, or
> - was self-employed (including farmers) but is now unemployed because of poor economic conditions in the community or a natural disaster.
>
> Mark "No" if neither of your parents is classified by the appropriate State agency as a dislocated worker.
>
> If you marked "Yes," you may be asked to document your parent's status as a dislocated worker.

The survey questionnaire developed to verify the dislocated worker status claimed by dependent FFS filers was developed based on these instructions and is shown in the Appendix as Form C. This questionnaire was mailed to parents of FFS filers, and the questions were addressed to these parents.

Criteria to verify the dislocated worker status claimed on the FFS were developed as follows. The highest criteria match met all of the following criteria:

1. Respondent reported that self or spouse had been laid-off or terminated from a job.
2. Respondent reported that self or spouse had been classified as a dislocated worker by an appropriate state agency.
3. Respondent gave a valid state agency name for the dislocated worker classification.

The second highest criteria match met only the first two criteria on this list, and the lowest criteria match met only the first criterion.

TABLE 10

Dependent Dislocated Workers
Verification Survey Results

Highest Criteria Match	31%
Next Highest Criteria Match	3%
Lowest Criteria Match	36%
Not Matched	29%
Total	99%

Of the survey respondents, 31 percent met all of these criteria in the highest match test, another 39 percent met a lower match criteria, and 29 percent--who did not match any of these criteria--were presumed to be incorrectly identified as dislocated workers.

Respondents who indicated that they were classified by some state agency as a dislocated worker but gave an invalid agency name listed such organizations as Illinois Valley College, H. D. Lee, Med-Voc Associates and "none." Few respondents who indicated that they were a dislocated worker bothered to name the state agency on the survey form. Many indicated that they had been unemployed for several years or more.

Of the 337 respondents to this survey, 41 added comments to the survey form. These comments are included in the Appendix following Form C.

Displaced Homemakers

Independents: The federal instructions for the displaced homemaker who is not dependent on his/her parents for support state the following:

> Mark "Yes" if either you or your spouse meet all of the following descriptions for a displaced homemaker:
> - You or your spouse has not worked in the labor force for a substantial number of years (e.g. approximately five years or more), but has during those years worked in the home providing unpaid services for family members;
> - You or your spouse has been dependent on public assistance or on the income of another family

member but is no longer receiving that income, or you or your spouse is receiving public assistance because of dependent children in the home; and
- You or your spouse is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

"Unemployed" means not working this week but being available for work and having made specific efforts to get a job sometime during the last four weeks.

"Underemployed" means working part-time, even though full-time employment is desired, because work is slack or because only part-time work is available.

Mark "No" if neither you nor your spouse meet all of the descriptions mentioned above.

The survey questionnaire developed to verify the displaced homemaker status reported by independent FFS filers was based on these instructions, and is shown as Form B in the Appendix.

Criteria to verify displaced homemaker status were developed as follows. The highest criteria match met all of the following criteria:

1. Respondent reported that self or spouse was a homemaker providing unpaid services to family members, and
2. Respondent reported that self or spouse:
   a. Had been dependent on public assistance, or
   b. Had been dependent on the income of another family member and was no longer receiving that income, or
   c. Was receiving public assistance for dependent children in the home, and
3. Respondent reported that self or spouse was either unemployed or underemployed.

The next highest match criteria met any two of the above three criteria. The lowest match criteria required a favorable answer to only one of these three criteria. A respondent that failed to meet any of these criteria was considered to be unmatched - or not a displaced homemaker application.

TABLE 11

Independent Displaced Homemakers
Verification Survey Results

Highest Criteria Match	36%
Next Highest Criteria Match	38%
Lowest Criteria Match	21%
Not Matched	5%
Total	100%

Thirty-six percent of the survey respondents met the first match criteria. Fifty-nine percent met either the second or third match criteria. Five percent were not correctly classified as they failed to meet any of the match criteria.

Of the 360 survey respondents, 41 chose to add comments to the questionnaire. These comments are included in the Appendix following the Form B questionnaire used for this group. They offer insights into life's challenges faced by this class of FFS filer.

Dependents: The federal instructions for dependent displaced homemaker status apply to the parents of the applicant and thus the survey was addressed to them. These instructions read as follows:

> Mark "Yes" if either of your parents meets all of the following descriptions for a displaced homemaker:
> - Your parent has not worked in the labor force for a substantial number of years (e.g. approximately five years or more), but has during those years worked in the home providing unpaid services for family members;
> - Your parent has been dependent on public assistance or on the income of another family member but is no longer receiving that income, or your parent is receiving public assistance because of dependent children in the home; and
> - Your parent is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.
>
> "Unemployed" means not working this week but being available for work and having made specific efforts to get a job sometime during the last four weeks.
>
> "Underemployed" means working part-time, even though full-time employment is desired, because work is slack or because only part-time work is available.
>
> Mark "No" if neither of your parents meet all of the descriptions mentioned above.

The survey questionnaire developed to verify the displaced homemaker status reported by dependent FFS filers was based on these instructions, and is shown as Form D in the Appendix.

Criteria to verify displaced homemaker status were developed as follows. The highest criteria match met all of the following criteria:

1. Respondent reported that self or spouse was a homemaker providing unpaid services to family members.
2. Respondent reported that self or spouse:
   a. Had been dependent on public assistance, or
   b. Had been dependent on the income of another family member and was no longer receiving that income, or
   c. Was receiving public assistance for dependent children in the home.
3. Respondent reported that self or spouse was either unemployed or underemployed.

The next highest criteria match met any two of the above three criteria, and the lowest match criteria required a favorable answer to only one of these three criteria. A respondent that failed to meet any of these criteria was considered to be unmatched--or not a displaced homemaker application.

TABLE 12

Dependents of Displaced Homemakers
Verification Survey Results

Highest Criteria Match	15%
Next Highest Criteria Match	33%
Lowest Criteria Match	34%
Not Matched	18%
Total	100%

Only 15 percent of the respondents to this survey met the highest criteria match--the lowest proportion of the four groups; 67 percent of the replies fell into the intermediate gray area--they met some but not all of the match criteria; and 18 percent of the surveys provided no information with which to match against the federal instructions and are thus presumably incorrectly classified.

Of the 304 survey respondents in this group, 52 added comments to the survey before returning it. The comment-added rate of 17 percent was higher than for the other four groups surveyed. These comments are included in the Appendix following Form D.

Summary of Verification Surveys

Results of these four surveys indicate that FFS filers who claimed the dislocated worker/displaced homemaker status were often of doubtful eligibility for the special formula treatments provided in the Congressional Methodology. Only about a third of the respondents provided confirming evidence of their status. About one in five provided no indication whatsoever that they were either dislocated workers or displaced homemakers. The remainder provided some information--often incorrect information--in support of their claim to be dislocated workers/displaced homemakers.

A review of these findings suggests some answers. In a few cases FFS filer circumstances had clearly changed between the time the FFS was submitted to ACT and the time of the survey reported here.

A more general problem must clearly be the difficulty of the language in the federal instructions for completing the dislocated worker/displaced homemaker questions on the FFS. We submitted the federal instructions to a writing style analyzer software program (Smetana, 1988) to determine the readability of these instructions. The results are summarized in the following table.

TABLE 13

Readability Analysis of Federal Instructions for Dislocated Workers and Displaced Homemakers

	Grade Level	Flesch Index	Personal Interest Index	Long Words	Syllables per Word	Words per Sentence	Overall Summary
Dislocated Worker	16	33 Fair	18 Poor	18% Poor	1.7 Fair	30 Poor	Needs Work
Displaced Homemaker	14	44 Fair	43 Fair	16% Poor	1.6 Fair	25 Poor	Fair

The federal instructions for the displaced homemaker questions call for a level of education of grade 14 - equivalent to the completion of the sophomore year of college. The instructions for the dislocated worker call for an education through grade 16 - equivalent to that of a college graduate. Both sets of instructions are characterized by long words in long sentences. On none of the five scaled tests do these instructions score above fair on a scale consisting of poor/fair/good/excellent.

Simulation

The third portion of the ACT study of dislocated worker/displaced homemaker FFS filers involved a comparison of family contributions with and without the special formulas prescribed for these aid applicants by Congress in the 1986 Amendments. The 100 percent sample of early 1988-89 FFS filers shown in Table 1 was used for these alternative formula treatments.

Conceptually, the simulation procedures were quite simple. For dislocated workers, expected family contributions were calculated using estimated year incomes without home equity, and base year incomes including home equity. For displaced homemakers, expected family contributions were calculated with and without home equity. In actual practice, however, these simulations were considerably more complex because of the derivation of data elements used in the final calculations.

The results of the simulations for dislocated workers and displaced homemakers are summarized below.

Dislocated Workers

Dependents: Table 14 on the following page shows the distribution of changed expected family contributions from families of dislocated workers. Here the changes are for reductions in EFCs of more than $100, increases of more than $100, and changes of plus or minus $100. The changes are displayed in terms of base year total family income in family income ranges.

TABLE 14

Alternative Formula Simulation Results for
Dependents of Dislocated Workers
(N=16,153)

Change in Expected Family Contribution	Total Base Year Family Income							
	Negative Income	$0 to $10,000	$10,000 $20,000	$20,000 $30,000	$30,000 $40,000	$40,000 $50,000	Over $50,000	Median Income
-$101 or more	2%	1%	5%	14%	12%	7%	7%	$31,334
-$100 to +$100	5%	17%	16%	4%	1%	0%	0%	$ 9,708
+$101 or more	1%	1%	2%	2%	1%	0%	0%	$20,342
Reduced Expected Family Contribution	30%	7%	22%	71%	88%	94%	97%	

About half of the sample of 16,153 dependents of dislocated workers had their expected family contributions reduced by more than $100 as a result of the special treatment of income and assets offered through the Congressional Methodology; their median total family income was $31,300. About 43 percent experienced changes in their EFCs of plus or minus $100; their median family income was $9700. The remaining 7 percent experienced increases in their EFCs by more than $100 as a result of the Congressional Methodology special formula for dislocated workers; their median family income was $20,300.

Clearly the Congressional Methodology special formula treatment for dependents of dislocated workers reduced the expected family contributions for many FFS filers for 1988-89. The reduced EFCs qualified these applicants for additional financial aid funds. The next question is: Who benefited from the special formula treatment? Table 14 provides the answer. Of the FFS filers from total base year family incomes of above $50,000, 97 percent experienced a reduced EFC, whereas 7 percent with family incomes of $0 to $10,000 per year had a reduced EFC. Clearly, the benefits of the Congressional Methodology treatment apply mainly for FFS filers from family incomes of more than $20,000 per year. The primary beneficiaries of the special formula for dependents of dislocated workers were the most affluent, while the least affluent were largely unaffected by the special formula.

Independents: The changes in expected family contributions from independent applicants where the applicant or the spouse is a dislocated worker are shown in Table 15. Forty-seven percent of the FFS sample of 11,164 had their EFCs reduced by the Congressional Methodology special formula by more than $100, 48 percent experienced no significant change in their EFCs, and 5 percent had their EFCs increased by more than $100.

Dislocated worker status FFS filers were most likely to gain from the Congressional Methodology if their base year total family incomes were $40,000 to $50,000 per year. Ninety-nine percent of those from this income range had their EFCs reduced by $100 or more. In contrast, 20 percent of those from total family incomes of $0 to $10,000 had their EFCs reduced by more than $100 by the special formula contained in the Congressional Methodology.

TABLE 15

Alternative Formula Simulation Results for
Independent Dislocated Workers
(N=11,164)

Change in Expected Family Contribution	Total Base Year Family Income							
	Negative Income	$0 to $10,000	$10,000 $20,000	$20,000 $30,000	$30,000 $40,000	$40,000 $50,000	Over $50,000	Median Income
-$101 or more	31%	3%	5%	5%	2%	1%	0%	$15,976
-$100 to +$100	34%	11%	3%	0%	0%	0%	0%	$ 6,259
+$101 or more	4%	1%	0%	0%	0%	0%	0%	$ 8,301
Reduced Expected Family Contribution	45%	20%	58%	91%	97%	99%	90%	

Displaced Homemakers

Dependents: Table 16 summarizes the changes in expected family contributions for dependents of displaced homemakers from the effect of the Congressional Methodology special formula treatment. For 72 percent of the FFS filers, the special treatment did not affect EFCs by more than $100 and thus no benefit was gained. (Remember from Table 2 that 42 percent of these filers reported no home equity at all.)

TABLE 16

Alternative Formula Simulation Results for
Dependents of Displaced Homemakers
(N=14,287)

Change in Expected Family Contribution	Total Base Year Family Income							
	Negative Income	$0 to $10,000	$10,000 $20,000	$20,000 $30,000	$30,000 $40,000	$40,000 $50,000	Over $50,000	Median Income
-$101 or more	2%	3%	5%	7%	4%	2%	2%	$24,209
-$100 to +$100	11%	34%	15%	6%	3%	2%	1%	$ 7,352
+$101 or more	1%	0%	1%	1%	0%	0%	0%	$21,250
Reduced Expected Family Contribution	16%	7%	22%	50%	54%	57%	59%	

For 25 percent of the sample, EFCs were reduced by more than $100, and thus the financial aid need of these applicants was increased by the special formula provided for in the Congressional Methodology. The beneficiaries of the Congressional Methodology special formula for dependents of displaced

homemakers were mainly from families with incomes of more than $20,000 per year. Above $50,000 per year, 59 percent of the FFS filers had their EFCs reduced by more than $100 due to the CM formula. In contrast, 7 percent of FFS filers with total family incomes of $0 to $10,000 experienced reductions of EFCs by more than $100. Generally, the higher the family income the greater the likelihood of benefiting from the Congressional formula for dependents of displaced homemakers.

Independents: Table 17 summarizes the effects of the special Congressional Methodology formula for independent filers who qualify as displaced homemakers. For 85 percent of the 14,665 FFS filers used in the simulation, no significant change in their EFCs resulted. (Note in Table 6 that 87 percent of this group had no home equity at all.) The EFCs of 12 percent were reduced by the CM by more than $100, and thus gained financial aid eligibility. Three percent had their EFCs increased by the Congressional Methodology in the ACT simulations.

Those most likely to experience reduced expected family contributions from the Congressional Methodology special formula were from total family base year incomes of $30,000 to $40,000 per year. Fifty percent of those in this income range had reduced EFCs of more than $100, compared to 11 percent of those with family base year incomes of $0 to $10,000.

TABLE 17

Alternative Formula Simulation Results for Independent Displaced Homemakers (N=14,665)

Change in Expected Family Contribution	Total Base Year Family Income							
	Negative Income	$0 to $10,000	$10,000 $20,000	$20,000 $30,000	$30,000 $40,000	$40,000 $50,000	Over $50,000	Median Income
-$101 or more	6%	3%	1%	1%	0%	0%	0%	$7,289
-$100 to +$100	54%	27%	3%	1%	0%	0%	0%	$4,691
+$101 or more	2%	0%	0%	0%	0%	0%	0%	$8,046
Reduced Expected Family Contribution	10%	11%	34%	45%	50%	48%	45%	

Summary of Simulations

The simulations of alternative formula treatments of income and assets presented here illustrate that many FFS filers had their expected family contributions reduced by the special formulas provided for dislocated workers and displaced homemakers through the Congressional Methodology. The reductions in expected family contributions had the effect of qualifying those benefited for increased amounts of need-based student financial aid. Within the samples of FFS filers used in this study, the proportions of benefited aid applicants were 50 percent of dependents of dislocated workers, 25 percent of dependents of displaced homemakers, 47 percent of independent dislocated

workers, and 12 percent of independent displaced homemakers.

In each of the four populations, the least affluent were the least likely to have their expected family contributions reduced by the special formulas provided in the Congressional Methodology. Generally, the applicants with the highest total base year family incomes were those most likely to have their EFCs reduced by more than $100.

This apparent paradox--increasing aid eligibility for more affluent aid applicants and least for the least affluent--is a direct result of the formula devices chosen in the Congressional Methodology. For example, 87 percent of independent displaced homemakers report no home equity at all, and this population obviously cannot benefit if home equity is excluded from calculating a family's expected family contribution. However, more affluent families with home equity above amounts protected by asset protection allowances in the Congressional Methodology will clearly benefit by the removal of that home equity from the calculation. And the more home equity the applicant reports, the greater the benefit if it is excluded from the expected family contribution calculation.

Discussion

This project set out to address three questions, and three studies that are presented in this report were prepared in response to these questions.

What are the characteristics of applicants who report that they are dislocated/displaced? How are they similar and how are they different from other dependent and independent applicants in basic demographic, economic, and academic dimensions?

We have used ACT's data bases on Family Financial Statement filers and ACT Assessment Program test takers to describe and contrast dependent and independent aid applicants who have claimed the dislocated worker or displaced homemaker status on their 1988-89 FFS. The results are presented in Table 2 through 7 in the text.

Dependents of dislocated workers or displaced homemakers are similar to other dependent aid applicants in many respects, such as gender, age, marital status, high school grades, and degree aspirations. They differ in other respects. The dependents of dislocated workers and displaced homemakers are more likely to be minority (especially black, Chicano, or Oriental), have less income and assets, and have scored somewhat lower on the ACT Assessment than other dependent applicants. Dependents of displaced homemakers, in particular, are less likely to have married parents, have lower family incomes, and are less likely to have any home equity than other dependent aid applicants.

Independent aid applicants who claim dislocated worker or displaced homemaker status on their FFS tend to look similar to other independent aid applicants regarding degree aspirations, but little else. The displaced homemaker applicants are predominantly female, age 25 and over, with lower average incomes and ACT Assessment scores than other independent applicants. They also tend to be more often of a minority--especially blacks and American

Indians--and to be separated or divorced. Dislocated worker applicants are more likely to be older, married, and have higher base year incomes and greater assets than other independent applicants.

Do dislocated/displaced applicants correctly identify themselves as such on their applications?

Our mail survey of FFS filers who claimed the dislocated worker or displaced homemaker status had a high response rate--about three quarters of those surveyed responded. The high response rate provides one sense of confidence in the representativeness of the respondents to the population of FFS filers. However, the information provided by respondents to verify their claimed status provides far less assurance that they correctly identified themselves as eligible for the special formulas provided in the Congressional Methodology.

Only about a third of the respondents to the four surveys provided evidence that they were correctly classified in the dislocated worker or displaced homemaker categories. About a quarter of the respondents failed to provide any supporting evidence for their claim. The remainder provided incomplete or erroneous information that left some doubt about their status.

Several reasons for this muddled state are apparent. First, the circumstances of some respondents had clearly changed in the several months between the time they filed their FFS with ACT and when the survey was distributed. Second, the federal instructions required a high level of education to understand: long sentences and long words made them less intelligible to many; the dislocated worker instructions, in particular, required a college graduate reading level to apply for aid to help send the applicant to college in the first place. The ideas of a displaced worker or displaced homemaker are not difficult to grasp. Unfortunately, the conversion of the apparent legislative intent into gender-neutral language that addresses all possible circumstances of marriage crippled its application.

The possibility of fraud is also present. Especially in the case of the quarter of the respondents that provided no supporting evidence whatsoever for their claim, further verification efforts would be advisable. For whatever reason--changed circumstances, confusion, or fraud--the application of the concepts of displaced homemaker and dislocated worker are an unresolved challenge of the aid application system.

Does special treatment make any difference in their financial aid requirements? For what applicant situations do the exclusion of assets and use of projected rather than prior income make a difference?

Our efforts to determine whether special formula treatments for dislocated worker and displaced homemaker aid applicants made a difference were more conclusive than the verification study. Clearly, there were many aid applicants whose expected family contributions declined and thus made them more financially "needy" than they would have been without the special formulas provided in the Congressional Methodology. Also, some of the dislocated worker applicants had higher EFCs--and hence less need--as a result of the special formula treatments. For about half of most groups, the special formulas made no significant difference in their expected family contributions.

The winners--i.e., those for whom expected family contributions declined as a result of the special formulas provided for them in the Congressional Methodology--were usually the most affluent aid applicants in each category. The nature of the formula devices chosen by Congress to aid dislocated worker and displaced homemaker aid applicants could have produced only the results documented in this study. For example, the poorest aid applicants cannot be helped by the elimination of home equity from a need calculation if they are highly unlikely to have a home anyway. Only those with homes, who are more likely to have higher incomes, could benefit from such a formula device.

In fact, the pattern of formula changes adopted by Congress in the 1986 Amendments has quite consistently aided middle income aid applicants. Changes made to the Pell Grant Program formulas greatly expanded middle income eligibility for Pell Grants. These changes had the effects of increasing Pell Grant eligibility for the poorest Pell applicants by about $90 to $100, while aid applicants from twice such income levels received increased Pell Grant eligibility of as much as $1350 per year (Mortenson, 1988). Thus, the changes made to the Uniform Methodology when it was adopted by Congress are consistent with the changes made by Congress in the Pell Grant Program at the same time: they increase eligibility for financial aid for more affluent aid applicants while benefiting very little the poorest among aid applicants.

Finally, one must ask if the special problems of dislocated worker and displaced homemaker aid applicants can or should be addressed in the manner chosen by Congress in the 1986 Amendments. While such cases present special challenges to financial aid, many other special challenges exist that were not selected for special treatment by Congress. To have done so would have added complexity to an aid application process Congress has wanted to simplify.

There are clear trade-offs when deciding how to design a financial aid delivery system. An application system that seeks to address many special circumstances will inevitably be complex. On the other hand, a system that ignores the special circumstances of applicants that the dislocated worker and displaced homemaker formulas try to address cannot ensure the equity of opportunity that is the foundation of needs tested financial aid. Hence, simplicity may be purchased at the price of fairness.

In the past, Congress has addressed this trade off by a mixture of large, formula-driven foundation aid programs, supplemented with assistance to campuses to fill in the cracks that general purpose programs could not address effectively and efficiently. The reliance on campus aid programs, administered by trained professionals, to find and fill in these cracks provides a tested means of achieving the equal opportunity goals of financial aid. This alternative should not be abandoned.

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ACT

August 1988

Dear Financial Aid Applicant:

Earlier this year, you submitted a Family Financial Statement (FFS) to ACT as a first step in your application for financial aid for the 1988-89 academic year. ACT is now conducting a study of financial aid applicants, and you can help us improve the application process by answering a few questions.

The enclosed survey asks about some aspects of your family's employment status. Your responses to these questions will be combined with those of other participants to describe the employment status of some groups of aid applicants. Your input is critical to this study, and we hope that you will take advantage of this opportunity to help design a streamlined application procedure. Our experience indicates that it will take you about five minutes to complete the questionnaire, and return it in the postage-paid envelope.

The information that you provide will be kept strictly confidential. Only summaries of this data averaged over groups will be reported. The identification number on your questionnaire will be used only to record that your questionnaire has been returned.

Your participation in this study will be very easy, yet will help us to improve the financial aid application process. A free pencil has been included for you to use in filling out this questionnaire, so please take a few minutes to complete and return the enclosed questionnaire. We sincerely appreciate your cooperation.

Sincerely,

Thomas G. Mortenson
Senior Research Associate

2201 North Dodge Street, P.O. Box 168
Iowa City, Iowa 52243
(319) 337-1000

ACT

September 1988

Dear Financial Aid Applicant:

A few weeks ago we mailed you a survey with a postage paid envelope. Our records indicate that we have not yet received a reply from you.

Because you were carefully selected to represent the responses of many other financial aid applicants who are in circumstances similar to yours, your input is critical to this study. We are sending you another copy of the survey and another postage-paid envelope. Please take five minutes to fill out and return this survey. The information you provide will be kept strictly confidential and your response will help us to improve the financial aid process.

We sincerely appreciate your cooperation.

Sincerely,

Thomas G. Mortenson
Senior Research Associate

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2201 North Dodge Street, P.O. Box 168
Iowa City, Iowa 52243
(319) 337-1000

A

FINANCIAL AID APPLICANT SURVEY

	YES	NO
1. Have you been laid-off or terminated from a job?	☐	☐
2. Have you been laid-off as a result of the permanent closure of a plant or other facility?	☐	☐
3. Were you self-employed but are now unemployed due to poor economic conditions or a natural disaster?	☐	☐

If you answered "yes" to any of the above questions, please answer the following questions. If you answered "no" to all three questions, then go to Question 4 below.

a. When did you become unemployed? ___/___ (mo / yr)

b. Have you been classified as a dislocated worker by some state agency, such as the State Employment Agency or Job Service?	☐	☐

c. If so, when? ___/___ (mo / yr)

d. If so, name of agency? _____

4. Has your spouse been terminated or laid-off from a job?	☐	☐
5. Has your spouse been laid-off as the result of a permanent closure of a plant or other facility?	☐	☐
6. Was your spouse self-employed but now unemployed due to poor economic conditions or a natural disaster?	☐	☐

If you answered "yes" to question 4, 5 or 6, please answer the following questions. If you answered "no" to all three questions, then please put this questionnaire in the enclosed envelope and mail it.

a. When did your spouse become unemployed? ___/___ (mo / yr)

b. Has your spouse been classified as a dislocated worker by some state agency, such as the State Employment Agency or Job Service?	☐	☐

c. If so, when? ___/___ (mo / yr)

d. If so, name of agency? _____

Thank you for completing this questionnaire. Please return it to ACT in the enclosed envelope. Do not send any other documents, but you may use the reverse side of this questionnaire to add any comments you may choose to share.

FORM A - INDEPENDENT DISLOCATED WORKERS

Comments

Male - Crystal, MN

I was laid off from my job at Litton Microwave Cooking due to their relocation to Memphis, Tennessee. I diligently seeked employment for a one year time period during and after lay-off. Due to the poor business climate in Minnesota, I was only able to get two interviews and no offers in that period of time.

Since manufacturing was so slow, I decided to retrain in the trades (HVAC specifically) hoping to become more employable. Thanks for your support.

Female - Minneapolis, MN

In 1983 I was fired from a position at a trade publisher in New York City. The reasons was the convergence of two diseases: alcoholism and mania (manic depression). Although I asked for treatment my boss thought there was nothing wrong with me. In his view it's normal to hallucinate, lose 20 pounds in a week, not connect sentences and drink a quart a day. I was never really unemployed, always managing to find some work and preferring that to the ignorant and malintentioned ministrations of a society that doesn't have any comprehension of these illnesses. On my own I figured out the origin, what was happening, got off booze (genetic in my case) and on lithium--which calmed the neurotransmissions. My family helped. It cost $30,000 but I am now fully employed in writing/publishing and more stable than most people. Am planning to get other degrees for back-up only.

Male - Bozeman, MT

I have been in construction for 12 years. During the last 3 years, it has become progressively more difficult to maintain year round employment. The last two years I have had 4 months of steady work, my longest period of employment. The rest of that time has been sporadic, or taking any work to survive. The future Montana construction scene looks no better. Thank you.

Male - Snyder, TX

I am a student at Texas State Technical Institute for Rehabilitation as a result of two prison terms served, and I felt that in order to keep from returning to prison, further education and training was needed. Since I am only receiving minimal assistance ($230 for tuition and fees) from the Texas Rehabilitation Commission, and am paying the rest of my cost from a $448 per month social security check, I felt a need to call on other sources for assistance.

Comments

Female - Dubuque, IA

I was an LPN with 25 years of working full time. Approximately 2 years ago I had to change to an nurses aid in order to keep a job at the General Hospital I was working at. I am only getting part time hours, am my own support, and trying to go to school to get my RN so as I can continue to do the work I have chosen to do with my life.

Male - Dubuque, IA

I have only had one problem with receiving financial aid. In January of 1987 I applied for financial aid to go to Northeast Iowa Technical Institute for the machinist course. At the time, I was living with my father whose finances were too much for me to receive any financial aid.

In March I got married and my living status changed drastically. I moved from my father's and had to pay for my own schooling even though I could not afford it. (I eventually got help through J.T.P.A.) I told the financial aid office at N.I.T.I. what my situation was and they told me that you couldn't change the application except a change of address.

Why can't a person change their application if their financial situation changes for the worse. If I had gotten financial aid, and then won the lottery, I'm sure you would have stopped my financial aid.

Please answer my question (I answered yours).

Male - Champaign, IL

I was injured at work while employed as an electrician. The injury prevents my returning to work as electrician and I must retrain for a sedentary job.

Male - Milwaukee - WI

I was injured at work, as a result have not been accepted or able to return to the work force, so am pursuing a new career, through schooling I hope I can obtain new skills to help obtain a new career.

Female - Fort Payne, AL

I would like to say that I'm very disappointed I was given an 88-89 paper to fill out and did not know that until it was already to late. I wanted to file on 87-88 school year. I was barely able to work not getting very much and my husband and I just got married in 11-87 and he had been laid off of work a lot. I really need the help that I could

Comments

(cont.) have got to go to school on and I could really use it. I only wanted to file on 87-88 because 88-89 I hope would be better but I now have a hard time getting aid and could really use it. If you could all possible check into my files for me and check and see how I may get the files that I filled out on 88-89 put on 87-88 so I might get help. I would really like to stay in school if at all possible. P.S. I was not notified until past date that I had filed on wrong papers.

Female - Petal, MS
Spouse received a back injury on his job offshore. The company he worked for refused to let him work because of his restrictions on his back.

Male - Baton Rouge, LA
ACT does a <u>great</u> job in processing my paperwork. Many times people just don't think of the amount of time and devotion ACT gives to process several hundred-thousand applications yearly. So, THANKS, for a job well done!

Male - Ames, IA
I was a self-employed farmer for over 20 years. In early 1986 it became difficult to get financing for another year of farming and it was obvious that it would be improbable to expect my personal situation to improve. Therefore, I left farming in early 1986. My wife was also involved in the farm and therefore I wasn't sure how to answer some questions.

I'm looking forward to obtaining a degree in electrical engineering and appreciate the financial help I've received. It is very important to me!

Female - Sioux City, IA
At the time I filled out the ACT form I was legally in divorce proceedings. The divorce still has not been finalized. I do not meet your classification to be able to answer any questions after number three. Thank you.

Female - Edgewater, FL
When I married my husband--I was forced to leave my job due to a Nepitism Ordinance.

Male - Tupelo, MS
An individual <u>should not</u> be denied an education due to financial hardships. I made "too much money last year to be eligible for a loan." I don't keep the kind of cash around to pay for school!

Comments

Female - Broken Arrow, OK

This dislocated worker question has been difficult from the beginning & frustrating along the way. We give financial info for '87--do you mean the question for that year or presently.

My district office (Kathy's) was closed 4-15-87 & I was laid off for over 7 months. I am presently employed.

My husband--Dan--was laid off in 5-84, reemployed Aug 84, injured 04-85. After 2 surgeries he was released to go back to (6-86) work (with limitations). His old boss had terminated him 6 months after injury. Also he would not re-hire him. There was no employment benefits available at this time. After much encouragement & conquering a lot of fear he entered TJC this summer with 1 course--to test the water, so to speak. Meanwhile the work comp people paid a private rehab service to test and place Dan. They test him--changed counselors--lost him--found him & almost immediately ran out of time. (?) State rehab talked with him but never helped. Heaven help us! We just want to find a new place in life & feel education is the way to do it. Filling out the Fin. Aid Pkg is worse than IRS forms & subsequent visits are more disparaging with TJC Fin. Aid counseling centers.

In May I took my papers, my husbands & my son's & was complimented for the completeness & throughness & quoted amounts of fin. aid. This proved to not be true (my mistakes & theirs and this D. worker question). Anyway I checked in July to see why I had not heard anything & found a mess!

The changes delayed us til my husband and I do not get awarded an OTAG.

Anyway, you probably don't care about half of this but we are fussy & that & wanting to vent my frustration (trying not to I guess) is why this is so late.

Female - Donna, TX

It's kind of hard to answer questions about a spouse when you don't have one. Maybe you should word the questions differently or put another box to correctly answer the questions. Thank you.

Comments

Male - Douglassville, TX

When notice is sent, you should inform applicant if income from previous year will completely disqualify applicant. I made $18,000 in previous year and can claim only one dependent. I was denied all forms of aid, grants, and loans due to this alone. If I had known that this amount would disqualify me, I would not have wasted niether the schools time nor mine.

Also, your wording and explanation of the question concerning dislocated worker status, led me to give an incorrect answer. I was then forced to submit a correction paper that cost me more money.

Female - Gary, SD

I am no longer unemployed & have full-time work & decided not to go to school as I still had to have a full time job to support myself as the loans & grant did not cover so could not afford to go school and have not accepted any grants or loans. Please remove my name.

Male - Grand Forks, ND

My wife did not fit into a yes answer in 4, 5, or 6 but she is considered a dislocated worker. Because, we moved so she and I could attend school. She was declared a Dislocated Worker the same time I was.

B

FINANCIAL AID APPLICANT SURVEY

	YES	NO
1. Are you or your spouse a homemaker providing unpaid services to family members?	☐	☐

If yes, answer questions a, b and c:

a. For how many years have you or your spouse been a homemaker? _____ years

b. Have you or your spouse held a job while being a homemaker?	☐	☐

c. If so, when was the homemaker's last employment? ___/___ (mo / yr)

2. Have you or your spouse been dependent on public assistance?	☐	☐

a. If so, when did you last receive the public assistance? ___/___ (mo / yr)

b. What type of public assistance? _____

3. Have you or your spouse been dependent on the income of another family member and are no longer receiving that income?	☐	☐

a. If so, what is the relationship of that family member to you? _____

b. When did that person last provide income for your support? ___/___ (mo / yr)

4. Are you or your spouse receiving public assistance for dependent children in your home?	☐	☐
5. Are you or your spouse unemployed? (Unemployed means not working this week but being available for work and having made specific efforts to get a job sometime during the last four weeks.)	☐	☐
6. Are you or your spouse underemployed? (Underemployed means working part-time, even though full-time employment is desired, because work is slack or because only part-time work is available.)	☐	☐

Thank you for completing this questionnaire. Please return it to ACT in the enclosed envelope. Do not send any other documents, but you may use the reverse side of this questionnaire to add any comments you may choose to share.

FORM B - INDEPENDENT DISCLOSED HOMEMAKERS

Comments

Female - Spirit Lake, IA
My husband and I separated 1-88. I am now a single parent of 4 children.

Female - St. Louis, MO
It is my desire to acquire the type of employment that I can do at home. The reason being, I can be home to get my three year old from pre-school after the half day in attendance. I would also like to work at home to discourage neighborhood children from coming around to start trouble when they learn I am not home.

Female - Denver, CO
I'm alone with my boys and going to school.

Female - St. Peter, MN
We have 4 children and we're in our late 30's. We were farming until the poor farm economy wiped out everything we owned. We tried working outside the home, but could only find menial employment. While working full-time we decided to both go back to school full-time. Tough to accept public assistance, but will only need it for 10 months while we complete our degrees. Career change through education will give us a better chance in life.

Female - Wakeeney, KS
I am a single parent, not working while I attend school. During the 24 year period I was a homemaker, I worked off/on for approximately two years. My last job was during the period of Sept. 1984 to Sept. 1986, I quit that job to continue my schooling full time. I found it very difficult to be a single parent, work full time, and take classes on my lunch hour or at night.

Female - Claremore, OK
I'm a divorced housewife with four children to support and have no job skills and no child support. It would help if financial aid could be processed and received sooner than six weeks into the school year. I appreciate the aid--without it I would not be able to attend school, to get the skills needed to support my family in the future.

Comments

Female - Hugo, OK

I am not unemployed due to the fact I am not seeking employment at this time. My social worker and I have decided the best plans for me are to further my education. I am 19 years old, separated and have three children to support. I feel that without experience and education my chances at getting a job that will pay well enough to support three children, the child I am expecting and myself, are extremely poor.

Female - Millsboro, DE

After farm values dropped in the mid-80's I started school; my husband started a gravel business on our farm. The gravel business went under 6-30-88. My husband recently got a construction job which takes him far from home.

The children are with me at school for the duration and have been since 1985 when I started. Previously (the past two years) that fact was taken into consideration when I applied for financial assistance. This year I have been told that is no longer done and aid is considered on a per individual basis. Why? When I called the congressman for our district, I was told to make sacrifices! I'm all for cutting consumer spending but where does one sacrifice when your income for 1987 was $-38,000.00? Should I give my children up to foster care in order to get an education to provide for their living? What a vicious circle! My GPA is currently 3.528 overall and I received a Fuchsman scholarship ($250.00) for outstanding sophomore in Environ. Studies. Then my award letter arrives and I've been cut $2,000.00! What a joke!

Female - Boonville, MD

My husband is in prison. I thought going to college would help the future be more secure. But even with a grant, because of child care, rent, commuting (gasoline) I just couldn't see stressing myself out by doing so right now.

Female - Fort Collins, CO

I have been at home with children (3) for 8 years. We have moved to Ft. Collins so that we both can get M.A.'s. We are finding decent, well-paying work almost impossible to get. I have just found a 1/2 time typist job & my husband is "on-call" as a nurse's aide. He works 1-1/2 hrs away & sleeps in the car, coming home on weekends. We need help!

Female - Baltimore, MD

I have been enrolled in C.C.B. for 5 semesters and am about to enter the 6th. I have been on Public Assistance all the time, between P.A. and C.W.S. (for work experience) is how I make ends meet.

Comments

Female - Chicago, IL

Pay is not sufficient to support rent-food-household. Public aid will cut off working people even part-time work study. It helps while in school but comes far short of pay bills in single-parent homes.

Female - Waterloo, IA

Since Feb. 88 my husband got killed. I am a widow. I get Soc. Sec. now. Why can't I get the medical card? My children do. On what I get for Soc. Sec. I need the medical card and more food stamps.

Female - Rockford, AL

As a displaced housewife, who after 23 years as a homemaker find myself divorced with no educational skills, I am struggling for an education. The ACT aid is helpful. However I do not understand the 3% Guarantee Fee or the 5% Origination fee. Thats 8% taken before I receive the check. Also the estimated date of disbursement is 08/01/88 & 12/27/88 yet the University of Monterallo will not let me have the check until after school starts. I need the money for car gas, rent, electric bills & especially books & food. Since I'm the one getting the loan I don't understand why the University can hold the check. If the 8% off the top fees go to U. of M. why can't I get the check directly from the bank?

Female - Lafayette, LA

Thank you for your assistance in giving me the opportunity to return to college.

Female - Lawton, OK

I applied for help in going to school. I was turned down.

Female - Watonga, OK

I am twice divorced, with one child from each marriage. Neither ex-husband pays child support responsibly. I have received $300.00 from each one this year, the amount should have been $2320.00 total this year. Neither help take physical care of their children either. I am completely relying on grants and student loans for financial support.

Male - Hewitt, TX

I feel that the financial aid program is great! I had wanted to return to school and complete my education for years. I just didn't think that it was financially possible. It was very rewarding to find out that there is a way to obtain my degree.

(cont.)

The main problem is that the majority of people are not aware that the financial aid is available. I wasn't aware until May '88. We have told a lot of our friends about the programs available to continue your education and they had a positive reaction.

Female - Westboro, MO

I was first married 1/70. Divorced 10/73. One child--Wade. Remarried 3/77; widowed 4/77 massive myocardial infarction. Farmed 5 years with husband previous to marriage--(only employment since 1st marriage). Remarried 2/78--widowed 11/84. Wade adopted by father of Laura, Ben & Valerie. Husband died from accident on the job. Cohabitation with father of 5th child. No child support. Attend counseling sessions weekly & Alanon family group. Family is supported by Workmens Comp & Social Security checks. I will use my college education to get a job which will enable me to raise my family and improve our quality of life. Thank you for helping to make a 20 yr. old dream come true.

Female - St. Louis, MO

As a female I was not encouraged to attend school and plan for a career. In fact I was forced to live at home until I married. After marriage I worked all my married life hoping to be a full time housewife at some point. After the divorce I have been struggling to support two sons and put them through school hoping to do so myself later. Now those funds are no longer available to me and I have not completed the education I hope to get for myself. Its a very discouraging situation.

Female - Osceola, IA

I want to go to school so I can become independent financially.

Female - St. Louis, MO

Employed by St. Louis Community College at Meramec through work/study program part time. I work fifteen hours per week. Thank you for the pencil, and I am glad I could help in your survey.

Female - Greenville, MO

I am a 26 year old female. My husband has been totally disabled since 1982 after having a severe heart attack. I am now attending college so I can obtain training needed in order to secure a job so I can support my family and if possible get off the public assistance. We also receive Disability Social Security.

Comments

Female - Sturgis, SD

We receive child support, housing & energy assistance. No AFDC or food stamps. If you've been in school over 2 yrs, you aren't eligible for AFDC, etc.

We have extremely high medical and drug bills every month. One son has a rare bone disease.

Female - Twin Lakes, CO

I am a single mother of 3 children under 6 years. The father of these children left us last summer and later divorced me. He does send child support. Not willing to be on public assistance, Financial Aid enabling me to go to school is vital to my family's future. Thanks!

Female - Oakley, KS

Having no big income--and at times none at all, I was unable to get financial help to go to school. Very disappointed.

Female - Broomfield, CO

I apologize for not sending my tax forms in ASAP. By doing so, it delayed getting my Pel Grant approved. I hope I'm still able to receive one for full time schooling at Front Range. I went ahead and borrowed money from a friend for the tuition fees. I will pay it back as soon as the Pell Grant comes through.

Female - Virden, NM

Thank you for the pencil and the Pell I received 1986-1989.

Female - Milwaukee, WI

I'm a full time nursing student. Question #6 should have a section for F.T. students who only have the time to work part time because of studies.

Female - Gainesville, TX

I really wasn't sure what you wanted. I go to school & take care of my 4-1/2 year old twins. My oldest child is 23 yrs old. I worked & took care of her many years (also, my 16 yr old--who does not live with me at present time.

My mother paid my rent until I got on the housing authority this yr. June, 1988. Until I had my twins in '84 I worked & supported my other children as a single parent.

I receive AFDC on my twins & food stamps & Medicaid & the Pell Grants I get from you. Texas Rehabilitation pays for books & tuition--I am a recovering alcoholic & drug addict. I have no spouse & haven't for many years.

Comments

Female - Fayeteville, NC
I'm a divorced mother of two children. Life is tough! So am i. We're gonna make it.

Female - Oklahoma City, OK
I am a divorced parent of two. Presently recieving state assistance.

Male - Altoona, WI
I didn't receive that other quistionar.

Female - Grenada, MS
I am a single parent of two daughters and recieving no child support most of the time. There seems to be no finical aid to help with shelter, and other everyday living expenses. I went to school last year on Pell grants and working part-time. During this year my parents were taking care of my daughters completely.

It would make things easier if there was more aid for myself. Thanks for giving me the chance to express my feelings.

Female - Littlerock, AR
Do you help with living expensive or cloths

Female - Osceola, IA
On underemployed--37-1/2 hours a week at just a little over minimum wage is still underemployed, I think.

Female - Sioux City, IA
I'm a full time LPN student and have only been able to return to school because I have recieved financial aid to do so.

Female - Marble Hill, MO
I would like to know specifically what this survey is for. I do not understand why it was so emportant for me to fill this survey out.

Female - Concordia, KS
I am a divorced mother of one, who is going through school, trying to better myself. This is in order to earn an adequate living for my son and myself. During this time I am working part time on the weekends.

Comments

Female - Milwaukee, WI

At present I am a single motherof a seven-year old (born 1981). In 1983 I began making serious efforts to get off welfare and work for a living but only found minimum-wage work. My confidence was low, feeling like a failure for being unmarried and for accepting assistance. Always having been proud to be a working person, and now working for an-liveable wage, I could not face myself in the stiuation in which I found myself, and went back on AFDC.

In September of 1985 I return to UWM to become a teacher, as I felt it was a way to have the same hours and holidays as my child. In February of 1986 I began student work at the UWM Map Libarary (1 1/2 years) also Title XX came through and assumed payment of child care. Also I fell in love with Geography. Since then I have spent a year doing student work at Great Lakes Research Facility and have learned greatly while working and being paid $4.00 an hour.

At present I am in graduate school in Geography (first semester!) and finally have a "real job" in the outside world at AAA for $5.50 an hour. Still on AFDC, but supplementing it.

My point is: Federal Grants for Education, as well as Title XX for child care, are money much better spent than the perpetuation of the stagnation and frustration of AFDC. People are uninformed about the opportunities

Also: Once one stops working, it's hard to get back into the cold world. I needed to be taken by the hand and sheltered (University jobs) in work-study till I felt I could face the world again. We do need help more than we need welfare.

Female - Rudolph, WI

Concerning questions 5 & 6: I am a student and a single parent. My enrollment status is full time. I could not also be employed.

C

FINANCIAL AID APPLICANT SURVEY

	YES	NO
1. Have you been terminated or laid-off from a job?	☐	☐
2. Have you been laid-off as a result of the permanent closure of a plant or other facility?	☐	☐
3. Were you self-employed but are now unemployed due to poor economic conditions or a natural disaster?	☐	☐

If you answered "yes" to any of the above questions, please answer the following questions. If you answered "no", then go to Question 4 below.

a. When did this person become unemployed? ___/___ (mo / yr)

b. Has this person been classified as a dislocated worker by some state agency, such as the State Employment Agency or Job Service? ☐ YES ☐ NO

c. If so, when? ___/___ (mo / yr)

d. If so, name of agency? _____

4. Has your spouse been terminated or laid-off from a job?	☐	☐
5. Has your spouse been laid-off as the result of a permanent closure of a plant or other facility?	☐	☐
6. Was your spouse self-employed but now unemployed due to poor economic conditions or a natural disaster?	☐	☐

If you answered "yes" to Question 4, 5 or 6, please answer the following questions. If you answered "no" to all three questions, then please put this questionnaire in the enclosed envelope and mail it.

a. When did your spouse become unemployed? ___/___ (mo / yr)

b. Has your spouse been classified as a dislocated worker by some state agency, such as the State Employment Agency or Job Service? ☐ YES ☐ NO

c. If so, when? ___/___ (mo / yr)

d. If so, name of agency? _____

Thank you for completing this questionnaire. Please return it to AIT in the enclosed envelope. Do not send any other documents, but you may use the reverse side of this questionnaire to add any comments you may choose to share.

FORM C - DEPENDENT: DISLOCATED WORKERS PARENTS

Comments

Male - Tulsa, OK

I am currently enrolled in the University of Oklahoma Continuing Education and Public Service fall semester with tuition and fees covered by the Dislocated Worker Program at Tulsa Vo-Tech School District 18.

Female - Colon, MI

My wife no longer receives unemployment, but has a part time job earning approximately $100 wkly. I just started work the week of Sept. 1, 1988 and will receive $200 weekly.

We also had to take a mortgage on our home for $14,000 to help pay for back bills and money owed, and to help pay for our daughter's education expenses, and my grandson's medical expenses which have occurred recently. We have no medical insurance.

Male - Ottawa, IL

At the time I submitted Family Financial Statement, I was classified as a dislocated worker going to college. Since then I have been hired for another job.

Female - St. Louis, MO

The form is too long! It seems as if the same questions are being asked more than once.

It also takes up too much time to fill in little circles after you've written everything down. I understand that this might be done so that the computer can read them, but why both to make us write it down as well. Only one method should be used, not both!

Female - Metairie, LA

Sustained back injury in March 1987 while on the job. Collecting Workman's Comp. Also now attending college to be retrained in another field of work.

Male - Centralia, IL

I do not know the meaning of dislocated worker. I doubt if I have been classified as a dislocated worker by the Illinois Employment Agency since my work is construction.

Male - Lakewood, WI

There should be a space on other forms to enter retired.

Female - Superior, WI

I was laid off from Electro Craft in Amery, WI because of plant closing. My husband was hired at Kroy in Oscela, WI on a temporary basis.

Female - Minot, ND

The year that the company I worked for was sold, the new corporate parent organization cut the entire department I worked in; layed me off for six months and then called me back. When I moved our daughter to college, I personally went to the Financial Aids Officer to explain this. He was sympathetic, but there was nothing he could do he said to help our daughter.

I feel that there should be someway to change the circumstances of financial aid when the family circumstances change so drastically from the time of filing to the beginning of school. A lot can happen in six months, as I have found out in the last two years. We used to file out income tax on five-year averages because it was so different every year. Only people with union pay checks get regular wages and raises.

This year the big difference is my husband not working. He has spent half of the year on long tours for the military reserves for the last six years, and that was the base of our income. This year he did not go on any tours because of the federal budget cuts.

I think a special fund should be set aside for the students when their families have these unannounced, and swift changes in the income they use to support the family. We no longer have a savings, for instance. We are living on my pay check, and whatever my husband can get for spot jobs, such as when he helped the carnival at the state fair set up one day. Yet financial aid for our daughter is based on last year's income when this year's reality is much less income.

Our daughter is ambitious enough that she has been trying to work too; last spring she also ended up with Mono - and that meant she either had to drop out, or have her schedule cut back to the minimum for a full time student. Now she has been working two jobs this summer, over 50 hours a week at about minimum wage to hope she has the funds to go to school this year - her junior year. We are barely making it, so our ability to help her is going to be very little.

Female - Atlanta, TX

The forms were much too difficult to fill out. It took us approximately 4 hrs to complete them in one sitting.

Male - Springville, AL

I did not get laid off but I had to take a personal leave. I'm not working.

Comments

Male - Jasper, AL

I was terminated Dec. 9, 1987 at a job that I had been working at for 22-1/2 years. I got another job June 6, 1987. In which at this job I'm making a considerable less amount of money.

Female - Pampa, TX

I am now employed by Warner-Horton Supply as a warehousemen and deliverymen. My pay is $5.50 per hour, and I work 40 hrs per week.

Female - Eagle Bend, MN

Gary works construction so laid-off comes anytime there's no work or when freezing starts.

Job Services of Alexandria, MN doesn't classified Gary as a dislocated worker.

Male - Alexandria, MN

I am an 18 yr old who has graduated from high school and will be going directly into Vo-Tech. I have not had a full time job. My father was a farmer who lost his farm due to the poor economic conditions in that field. He is working on a farm as part time farm labor.

Male - Marcus, IA

I am a displaced homemaker due to loss of a family farm. At 45 years, I am a full-time student at a private college and this is only possible through the help of ACT and financial aid personnel. My sons are freshmen and sophmore students in college. The number of family members enrolled in college should be retained as a point for determining financial aid.

Male - Lamar, CO

Questions answered for an unmarried student to whom the questionnaire was addressed. In this instance if the same questions were asked of the parent answers would have been YES. You inquired only of student and student spouse.

Male - Britt, IA

I am a single mother with 5 children. I lost my job in Canada because of pregnancy & complications. I brought my family back to the U.S. for a better education, and thanks to you my eldest will be able to attend college. My gratitude and heartfelt thanks.

Comments

Female - Aneta, ND

I was a displaced farmer the spring of 1988, and found temporary employment through the summer but will become unemployed in the fall of 1988.

Female - New Berlin, WI

We have three (3) daughters enrolled in college full time at three different schools. Each school has its own requirements for financial aid. They register and enroll in classes in advance.

Then we wait and wait for a response regarding financial aid. Why is it such a long process? I would like to know in advance what information is required.

All pertinent information could be submitted at one time and reviewed by the financial aid committee.

Female - Sussex, WI

Father of applicant was terminated from his employment due to phasing out of job/department.

Female - Steele, AL

I am 68 years old and have a serious lung problyms. I stay on oxygen 24 hr a day. I have been on disability for several years now. I am still on Social Security and not able to work.

Female - Bessemer, AL

I have the bills and everything to pay and I will have to get a grant because this not enough money for college.

Female - Brownsville, TX

I am 62. I get S.S. payment of $302.00 a mo. My wife makes $6000.00 a year. I was born 6-12-26. My dauther needs financial aid.

Female - Iowa Falls, IA

I did receive unemployment checks, however I had been DW as of 7/88.

Female - Albany, GA

My husband was terminated when the Firestone plant closed here in Albany. He is now self employed.

Comments

Male - Bayonet Point, FL

The reason I have not answered your questionaire before is as in all forms it does not show a true picture of a situation and we don't know exact dates.

My husband was classified disabled in I believe 1977 and has not been able to work since. I went to work as I had 4 school age children living at home. CETA send me for retraining. In 1984 the place I was employed at for 6 years went out of business due to lack of business.

I found another job (Big C) also in the Insurance business & they went into receivership & finally bankrupt.

After 8 years in the Insurance Field as an underwriter-claims representative & secretary I was out of work for 10 months. I have recently taken a position as a secretary-receptionist for about 400 amonth less than I was making out of desparation. In addition my 25 year old daughter has returned home because she could not survive & decided to go to college. She starts Oct 12 at PCTI with help from the Private Industry Council. She can not work.

We have not 1¢ in the bank drive an old car & survive to the best of our ability. Yes the bank lets us live in our home from a month to month basis as long as we pay the mortgage. I am 52 my husband 54 and owe out more than I care to think about.

I hope this information helps in some way.

Female - Detroit, MI

Was laid off in Mar 1980, have since been call back to work. Did not answer question about spouse, I am Div.

Female - Lake LeeLanau, MI

Wife is presently unemployed due to husband's relocation.

Russellville, TN

I did return the other survey but it was badly torn in the mailing to me so the identification may have been torn up.

Female - Huntsville, AL

My spouse is not employed--she is a homemaker--(housewife).

Female - Tuscaloosa, AL

My husband plant shut down 2-1-88. He has been unemployed until 9-19-88. 7-1/2 months out of work.

Comments

Female - Lubbock, TX

Due to an accident I have not worked for 2-1/2 years. My spouse is in El Salvador and I do not know when he is comming back. With out financial aid my daughter cannot afford college.

Female - Mission, TX

I was laid off in 1987 due to permenant closure of company. I was unemployed for about 9 months. Worked part time for 3 months. Out of work for 3 months. Now working full time.

I didn't know from what time you were talking about. Hope this helps. Also I'm divorced and a single parent.

Female - Texarkana, AR

I am presently attending college at Texarkana Community College as a night student. I work full time; therefore I will not be going away to school for a while.

Female - Mission, TX

To Whom It May Concern: This is to let you know that I am unable to answer the questions of your survey. This is due to the nature of my present situation. To the best of my knowledge I have not been terminated or laid off from my job. At present my case is pending, a decision by the court (filed suite) due to an injury I received at work and therefore I have not worked since Dec., 1986. As for my husband, he is retired from the U.S. Army.

Female - Fairbault, MN

Three years ago, we went through a farm foreclosure. Since that time my husband has worked for a food processing plant. However, that is a seasonal job--usually starts in April and goes through Sept.

Lack of formal training, employment area and age has made it very hard to find full-time employment.

Male - Hannibal, MO

My husband was laid off for almost 2 yrs. this time, previous to that he worked 6 mos. & was laid off 1 yr. I'm not sure of the exact dates. He has 22 yrs. with the Company, he is now first on the list to be called back.

Comments

Female - Urich, MO

My husband & I were both laid off the same month. I worked at a small agricultural town bank. My husband--at a business with new owners and management trying to cut costs by laying off all long term employees. We were laid off because of economic conditions but since we were not laid off in a group I guess we were not classed as displaced workers. When a large business or factory is closed, the people get help in retraining & finding jobs. We were on our own! but we did find new jobs.

I feel financial aid is essential to families like ours. We have not received welfare or free lunches (although we were eligible most of the time) but have lived on our salaries. Now we need help to educate our children so they can find better jobs--thus--more than paying back any aid the recive.

Male - Bottineau, ND

Do not know whether spouse was classified as a dislocated worker. Her job was terminated at the insurance agency she worked at and since she could not find any other insurance work in our area she did draw benefits from Job Service North Dakota for 26 weeks.

Since that time she has now found part-time employment in another line of work.

Female - Midwest City, OK

Worked for I.T.S. Corp. 11-84 to 9-85 and was terminated worked temporary for Sequoyah BIDg till 6/86 for 2 or 3 months. In 5-10-88 to 9-9-88 was in a CWEB training program at the Okla. State Employment Services in OKC, where I helped with the work there, was not payed thru employment services, but thru welfare asst.

D

FINANCIAL AID APPLICANT SURVEY

	YES	NO
1. Are you or your spouse a homemaker providing unpaid services to family members?	☐	☐

If yes, answer questions a, b and c:

a. For how many years have you been out of the labor force? _____ years

b. Have you held a job during your homemaking years? ☐ ☐

c. If so, when was your last employment? ___/___ (mo / yr)

2. Have you or your spouse been dependent on public assistance?	☐	☐

a. If so, when did you last receive the public assistance? ___/___ (mo / yr)

3. Have you or your spouse been dependent on the income of another family member and are no longer receiving that income?	☐	☐

a. If so, what is the relationship of that family member to you? _____

b. When did that person last provide income for your support? ___/___ (mo / yr)

4. Are you or your spouse receiving public assistance for dependent children in your home?	☐	☐
5. Are you or your spouse unemployed? (Unemployed means not working this week but being available for work and having made specific efforts to get a job sometime during the last four weeks.)	☐	☐
6. Are you or your spouse underemployed? (Underemployed means working part-time, even though full-time employment is desired, because work is slack or because only part-time work is available.)	☐	☐

Thank you for completing this questionnaire. Please return it to ACT in the enclosed envelope. Do not send any other documents, but you may use the reverse side of this questionnaire to add any comments you may choose to share.

FORM D - DEPENDENTS: DISPLACED HOMEMAKERS PARENTS

Comments

Female - Kings Mountain, NC

I am a widow with a kidney transplant that I received in August 4, 1971. I have not had a permanent job sense, but I have had very small part time jobs. I do substitute teach when I am called to take a teachers place, now.

I am in favor of students recieving the Pell Grant for the simple reason, the money will be paid back to the Government many times over; with the extra taxes a college student will be able to pay; verses the amount a non college student will be able to pay in a life time.

Male - Milwaukee, WI

I don't really understand the survey, especially regarding the public assistance. I was cut off since last year, shortly after I have my real age corrected. My last grant was on July 87 because July 23 is my 18th birthdate.

Female - Corinth, MS

I draw my husband's Social Security. He was killed in 75, and I now draw for myself & son which is 13 years. My daughter will be cut off Oct. 2, 1988. She will be 18 years old and can no longer draw. She is in her first year college at North East Miss. This is a good thing for students that need help.

Male - Wagoner, OK

My son & I were drawing Social security off of my husband, who died eight years ago. Then after my son graduated he lost his Social Security check.

Male - Lodge Grass, MT

The Father of the Financial Aid Applicant is drawing Social Security Disability Payments for total disability.

The Mother of the Financial Aid Applicant is drawing Workman's Compensation Payments for partial disability.

Male - St. Bethlehem, TN

My daughter recieved a check from the S.S.A. until March '88 because her father was disabled. That check was discontinued when she graduated from high school. When we recieved that check, it was used to pay household bills.

Female - Atascosa, TX

I have been a housewife and mother to nine children for 36 years. My husband use to work for the civil service but has not been retired nine years. We rely on his retirement for financial support. We do have a small family ranch, but as so put more into it (financially) than receive from it.

Comments

Male - Pinellaspark, FL

In this family my husband has been ill for over 10 yrs and went on Social Security Disability at age 57 (in 1978) (he also has Air Force retirement). Our children are grown and I would like to work outside the home, but my husband requires 24 hour a day care, he now has Parkinsons Disease and mental problems and is unable to care for himself.

Male - Baxter, TN

When our oldest child was born I chose to stay home to raise our family. My husband is a Baptist pastor, currently going back to school to complete his Masters Degree. A pastors salary is rarely up to that of other professionals and from time to time I have had to suplement our income by part-time employment. I have enjoyed staying at home with my children. We may have missed some material things but our children are secure, happy, productive members of society.

Female - Atwood, IL

We both work for the Shraders Ambulance Service Atwood. We are only paid for ambulance runs to hospitals. It varies as to how many runs we have per day and per month.

Female - Polo, IL

I would sure appreciate any information regarding financial aid. Being a one income family, it doesn't seem like you take into consideration all the expense we have in raising three children. I know so many two income families who seem to receive much more help. It seems that there should be a fairer way to evaluate financial aid.

Female - Rushville, IL

Why are medical expenses not paid by insurance that must be paid plus premiums. My (our) income doesn't replace money set aside for retirement (and due to lower income it is definet it will be needed due to SS payments being lowered.

Is the fact that no other aid is availble considered. My daughter was an IL scholar but no money help will be due just a paper honor. Fed Grant are all that can be availble to us, so could or should that be considered in setting amounts of aid.

Could information be faster so parents and students would know amounts of grants. We as other parents need to know by the start of school the grant amount, so we can compute, if we can find money and the amount to provide the student's future.

Comments

We started paperwork in Febuary 1988 and as of Aug 30 1988, have no way of knowing if or what amount of grant we can expect. We paid a semester and if no word is past on about this grant (can our as other students continue.)

Female - Gladwin, MI

I am disabled from a car acident in 1980 and have been unable to find employment I am able to do for any reasonable amount of hours pr. day.

Female - Detroit, AL

I am answering this survey for my son.

The reason we ask for help is because, I am total disable, I worked for the Detroit Board of Education for 17-1/2 years and a part time job after the full time job. The financial report that we sent in was correct, I am not on aid, have never been on aid, and I pray to God I won't have to go on aid.

I am on disability Social Security and Retirement from the board. My son was getting Social Security but after he graduate out of high school they cut it off.

My reason for disability, I had a heart attack six yrs ago.

I am a very independent woman, and you can always make it if you try.

My son is in school and I'm going to do my best to keep him in until he finish.

Male - Smithville, TN

My husband became very sick at the time our boys needed his financial support. It is very sad to see children with a great desire to go to college. But because they are from poor family such as ours they are refused. Just remember that children today rich or poor are the leader of tomorrow. Eny help you are eny one can give. Please do so lest our children fall in to temptation. For when our children fall so will our country.

Comments

Female - Brokenbow, OK

We are a farm family. Due to the poor market for our farm products, and the high prices we have to pay for all the necessary things it takes to farm with, plus the high interest rates, it has put us in a very bad financial position.

As a mother I have never worked regularly outside the home.

Female - Fayetteville, AR

I am unable to work due to rheumatoid arthritis. My husband left in 1983 & has elected not to help our college age children in any way. Since I can't work they've had to provide their own schooling.

Female - Miami, OK

The head of household is disabled, and has been disabled since June 22, 1987. He receives $500.00 (a month) from Railroad Ret. Sickness Benefits, and no other benefits. Sandra receives $266.00 from Social Security, a month. Total family income a month is $766.00. James' disability is covered under FELA, and no payment will be made until after legal litigation. Law suit filed Feb of 1988, and is anticipated to be finalized 1st part of 1990.

Male - Houston, TX

I'm wondering is this helping me get in school, because I've feld out a lot of paper before, but they are being sent back to me, and I don't understand. Unfortuned I would love, so very much to attend Texas Southern University in the fall.

Male - San Benito, TX

Single parent mother of financial aid student answering questionaire. I feel personnel selected to distribute information on financial aid should be more qualified. At the last minute we realized we had to apply for student loan. This is a drain on emotions after trying to keep your head above water.

Female - Bunkie, LA

I not working. My husban recieve S.S. the amount of 419.00 pre-mont. We will live on that.

Female - Britt, MN

As of April 30, 1988 we have been supporting my mother and she is incapable of being left all alone so I couldn't afford to put her in a nursing home so I have her living in with us. She is another dependant of ours and our daughter is away at college so this worked out very nicely for my mother.

Richard was layed off of work for 2 years and we are just getting caught up with all of our bills after being on welfare for 2 years.

At the time we applied for the Act we were on welfare and we still are receiving some help yet but not that much. Our medical insurance will expire in Oct. but they had to keep us on that. That's all the help we are getting now.

I am disabled with Chronic Asthma so I cannot work anymore. I am on breathing medications.

So this is why I qualify to get assistance also. I'm hoping Linda will get her loan she needs to finish her last quarter in college. Please let me know if she does. We will await your prompt reply.

Female - Ballwin, MO

Questions on the FFS, or some question, are ambiguous. The form or system does not take into account normal debts. I know the government developes the formula used to determine those eligible for financial assistance. However, it is unrealistic. The application process requires more confidential information than buying a house. I did not want the loan, it was for my children. They needed this for their studies. They would be the ones to pay it back. The middle class familys are being descriminated against just because they are paying on a home. This is considered owning your home without determining how much belongs to the bank---

Male - Bridgeton, MO

Financial aid for students who come from a single parent home which is paid for does not take into account the cost to upkeep that home compared to renting a house or apt.

Female - Bolivar, MO

We are currently supporting ourselves and our dependents on the income we receive from our dairy farm. Needless to say, the depressed farm prices along with this year's drought are making this increasingly difficult. Therefore our two older

children, our daughter-in-law, and myself, "the housewife," are presently attending college in hopes of eventually being able to supplement our farm income. Farmers are an independent lot and although it has "gone against the grain" to ask for any kind of assistance we are trying to pull ourselves up by our boot-straps. Actually, we are proud of the fact we have been able to "hang on" when we see what has happened to many of this nation's farmers. I did not intend a sermon, but sir if you count any farmers among your friends, pray for them, I assure you they need help.

Female - Vermillion, SD

I am a single parent and find providing for my children very difficult. I have at times held three jobs in order to take care of my children's needs--one full time, two part-time. All of these jobs did not meet my skill level. Choosing to pursue a M.A. and a Ph.D. while my children are in school was a very difficult decision. I still am plagued with fears of employment after Ph.D. for I'll be 50 years old.

Female - Sanford, FL

I'm not married, I just graduated from high school June 88. I'll still live with my parents who are both on disability. I look for part-time work to try & help but I want to go to school so I can make a life for myself, and let my parents be proud of me while they can.

Male - Bloomington, IL

Sorry this was late. My husband has been very, very sick, so I have been busy taking care of him. The reason we are on Public Assistance is because they keep denying my husband his social security disability. He has been unable to work for years.

Female - Montgomery, AL

I have been out of work for about a month now. My last job was at Prattville Appreal as a seemstrist. I am now in process of finding another job. As you can see i cant possible pay for my daughter education. I do thank God for these type of program, and hope that you'll be able to help my daughter.

Male - Alma, AR

We mailed one of these questionnaires before but we're mailing this again. It was stated that this was very private and no one would know who was answering the questions. How did you know our questionnaire was theone that didn't get back to you?

Comments

Male - Slidell, LA

Due to the decline of the oil and gas industry in Louisiana the tankerman referred to in Questions 1-3 has not had long term employment since 1981. There have been several short-term assignments along with attempts to find employment in other fields. However, lack of job training and health problems have resulted in a negative outlook for immediate change.

Male - Atlanta, GA

I gave my financial aid application and survey to the financial aid office in Valdosta State College, the month of August, 88.

Female - Waukegan, IL

To Whom It May Concern: You were right when you said that our situation is different when it come to applying for financial aid.

In March 1986 my husband was injury on his job since then he has not been able to work. He has had 3 operation on his shoulder and cannot use his arm. He is not able to work on a job or go out looking for work if he found it he is not able to work. He's having his 4th operation 10-6-88. His doctor don't know if he will be able to work again. I am employed. I make 9.60 hr. I do all the overtime I can it is not promise to me. That is why we applied for financial aid. Both my husband & me we have worked hard all our lives not asking for help and when we had to apply all we've gotten is a run around. I don't think this is fair. This is my feeling about this organizaqtion. If you need the help you don't get it. Thank you kindly for letting me express my self.

Female - Hawks, MI

I live with my parents and I have a handicap and have never be able to work. I cann't drive.

Female - Ettrick, WI

I am a paraplegic trying to establish a small business--existing on Soc. Sec. Disability--also a single parent.

Female - Winona, MS

(Written by daughter). My father is deceased as of Oct. 1983. My mother is disabled & has not worked in 10-12 years. In January 19, 1981, my mother became very ill with a cyst on her pancreas. The cyst ruptured & she almost died at 3 different times. She was hospitalized for 3 months in Jackson, MS. The cyst rupturing triggered her into

diabetes, which has distroyed some of her nerves. This disease is called neropathy. She has not been given enough money to practically survive. My little brother lives with her, also.

I attend Mississippi State University full time & work as a student worker on wages. I can't work enough to pay for everything I need. I need to study more than I do, but can't because of work. I also need to be tutored. There is just not enough money for me & it's very hard for me to go to school & always has been. I'm very behind in my school, but I'm still trying. My mother & I sincerely hope we've helped your survey.

Female - Rolling Fork, MS

I am _____ mother. I am not work, I am not able to work much. If it was job I can do I will work. _____ works about 3 week before she went to Jackson St College.

Female - New Iberia, LA

Im retird, have been for 5 yrs, 62 years old. My wife is 59, she is a part time sitter with ill folks, whenever she is needed. Or some call her for that perpose.

Male - Shreveport, LA

I work as a maid taking care of an Altzheimer patience. I only make $100 dollars a week.

My sone and I are on the housing program. This is the only public assistance we receive.

Male - Edcough, TX

I do not understand what you mean by public assistance so I marked no. The only assistance I've been under is food stamps and welfare from the government. Right now I am not under those programs.

Female - McAllen, TX

To Whom It May Concern; this survey wasn't able to arrive earlier, because my mother became ill.

Female - Burnsville, MN

I just started (this week) an entry level probationary job after 15 mo. of searching & 24 years since full-time work. (Changes my responses)

Male - Farmington, MN

Some of us that fill out these forms are not as smart as those who write them--simplify!

Female - Hartington, KS

I feel there should be more assistance for the economically burdened farmer. The dislocated worker clause does nothing for the farmer if he has to have verification from job service because a farmer is self employed so is not eligible for any unemployment benefits thus Job Service does not provide any verification. We were told last year to check the box on the ACT form because we had filed bankruptcy, lost our land lease & my husband was unemployed for a time and all it did was hold up our application because it was sent back for verification from Job Service which they could not do so we spent valuable time redoing paper work. Either get rid of the dislocated worker thing or change it so it does some good.

Female - Lewistown, MT

These questions are hard to answer as my spouse and I operate a farm ranch operation. Due to low prices and lack of moisture our income this past years has been quite limited. 1986 we were reposessed by the Farm Credit System.

Our area this year has been hard hit by the drought. We hope that we won't have to ask for food assistance, ect., but it may have to come to it.

We have been at this operation for 25 years. It is tough to loose everything and have to start all over again.

Female - Ammon, ID

I am a single parent with 5 children. The youngest is 3; and my son (12) is Down Syndrome with heart defect; requiring my attention so that I am not able to work permantly. I am currently in school part-time so that I may get a job with enough income to provide adequately for all my children--My oldest daughter is also attending college and working part-time. I receive HFOC, etc.

Female - Denver, CO

This is a hard story to describe. I have supported my husband & 4 children for 28 years short maybe a couple of months. _____ is the youngest so as soon as she graduated from High School I felt my obligation to husband was over for family sake. I received the house & property during divorce proceedings but because he does not work, I & _____ have rented a apartment so he has a place to live. He lives with his mother (at my house) & she receives Social Security to take care of themselves. I do not receive any thing from that situation nor have I ever received any help for _____ schooling or anything for that matter. I have never received assistance! I work

Female - Royal Oak, MI

I am a single parent of two boys (ages 19 & 18) who are preesntly attending college. I was employed during the first 4-1/2 years of marriage (unitl 1970); then remained at home for 11 years, returning to work as a temporary (secretary) in Oct. 1981. After the divorce (Dec. 1983), I returned to work full-time and have been working as well as "providing unpaid services to family members" ever since.

Unfortunately, I am classified and paid as a "Records Cler" in spite of the fact that I work as an archivist in a corporate archives and have an M.S. degree from the University of Michigan (in Library Science). Shouldn't this situation, which happens to countless other women, be classified as "underemployed" or something similar?

Male - Freehold, NJ

I was a homemaker for 20 years and held only part-time jobs during the last 5 years of that time.

I presently have 2 jobs and work 7 days a wkk but both jobs are entry level and my combined gross pay is $14,500.

Male - Phoenix, AZ

I am an Independent 19 year old. I am self supporting and feel financial aid available is insufficient. Due to last years income, I have no choice but continue working full time while going to school full time. I was eligible for $750 in financial aid--which is a joke. I don't necessarily want grants, but self help assistance would be nice.

Female - Fayetteville, NC

I have 0 income and I am presently far the last 2 1/2 years been under the Doctor's care to find my physical cableabilities to go into the work force because of my back, I am a graduate in Business an Ars degree as of 1985. This is the reason for my 0 income. I am doing all I can to encourage my daughter which is a fr. to complete here 4 years even with the hardships she endures because of my low income. Thank you for considering me in your confidential survey.

Male - Mt. Pleasant, MI

Dear Sir: I am not Blake's parent, but, a grandparent, whom Blake has either lived with or near all his live. Blake has never known his own father. Blake has never known his own father. Blake is on his own now. The only help he gets is what we are able to help him.

Blake's grandfather passed away Sept. 16, 1988, so, all the help Blake gets is what I'll be able to give him, which won't be much, as I'm retired, living on social security.

ACT STUDENT FINANCIAL AID RESEARCH REPORTS

This report is the Fifth in the series of Student Financial Aid Research Reports published by the Research Division of The American College Testing Program. The reports in this series to date are the following:

Why Student Financial Aid? December, 1987. No. 87-1. Thomas G. Mortenson.

Pell Grant Program Changes and Their Effects on Applicant Eligibility, 1973-74 to 1988-89. May, 1988. No. 88-1. Thomas G. Mortenson.

Attitudes of Americans Toward Borrowing to Finance Educational Expenses, 1959-1983. November, 1988. No. 88-2. Thomas G. Mortenson.

Family Income, Children, and Student Financial Aid. April, 1989. No. 89-1. Thomas G. Mortenson.

Dislocated Workers and Displaced Homemakers. May, 1989. No. 89-2. Thomas G. Mortenson.

Copies of these reports are available in limited quantity by writing:
Educational and Social Research
The American College Testing Program
P.O. Box 168
Iowa City, Iowa 52243

Prior to the initiation of this series, ACT published research reports on student financial aid issues in its ACT Research Reports. These reports are now out of print, but may be found in many research libraries.

Family Income and the Characteristics of College-Bound Students. February, 1967. ACT Research Report No. 17. Leonard L. Baird.

Can Financial Need Analysis Be Simplified? March, 1970. ACT Research Report No. 33. M.D. Orwig and Paul K. Jones.

Influence of Financial Need on the Vocational Development of College Students. September, 1970. ACT Research Report No. 36. Allen R. Vander Well.

Financing Higher Education: Alternatives for the Federal Government. 1971. Monograph S. M.D. Orwig, Editor.

Toward More Equitable Distribution of College Student Aid Funds: Problems in Assessing Student Financial Need. May, 1971. ACT Research Report No. 43. M.D. Orwig.

A Study of the College Investment Decision. July, 1973. ACT Research Report No. 59. W.W. McMahon and A. P. Wagner.

The Measurement of Economic Well-Being in Need Analysis Models. August, 1974. ACT Research Report No. 66. W. J. Goggin.

Impact of Educational Development, Family Income, College Costs, and Financial Aid in Student Choice and Enrollment in College. November, 1976. ACT Research Report No. 77. Leo A. Munday.

Equity and Efficiency in the Basic Grants Program: The Case of the "Prior-Year" Proposal. March, 1981. ACT Research Report No. 81. James C. Hearn.